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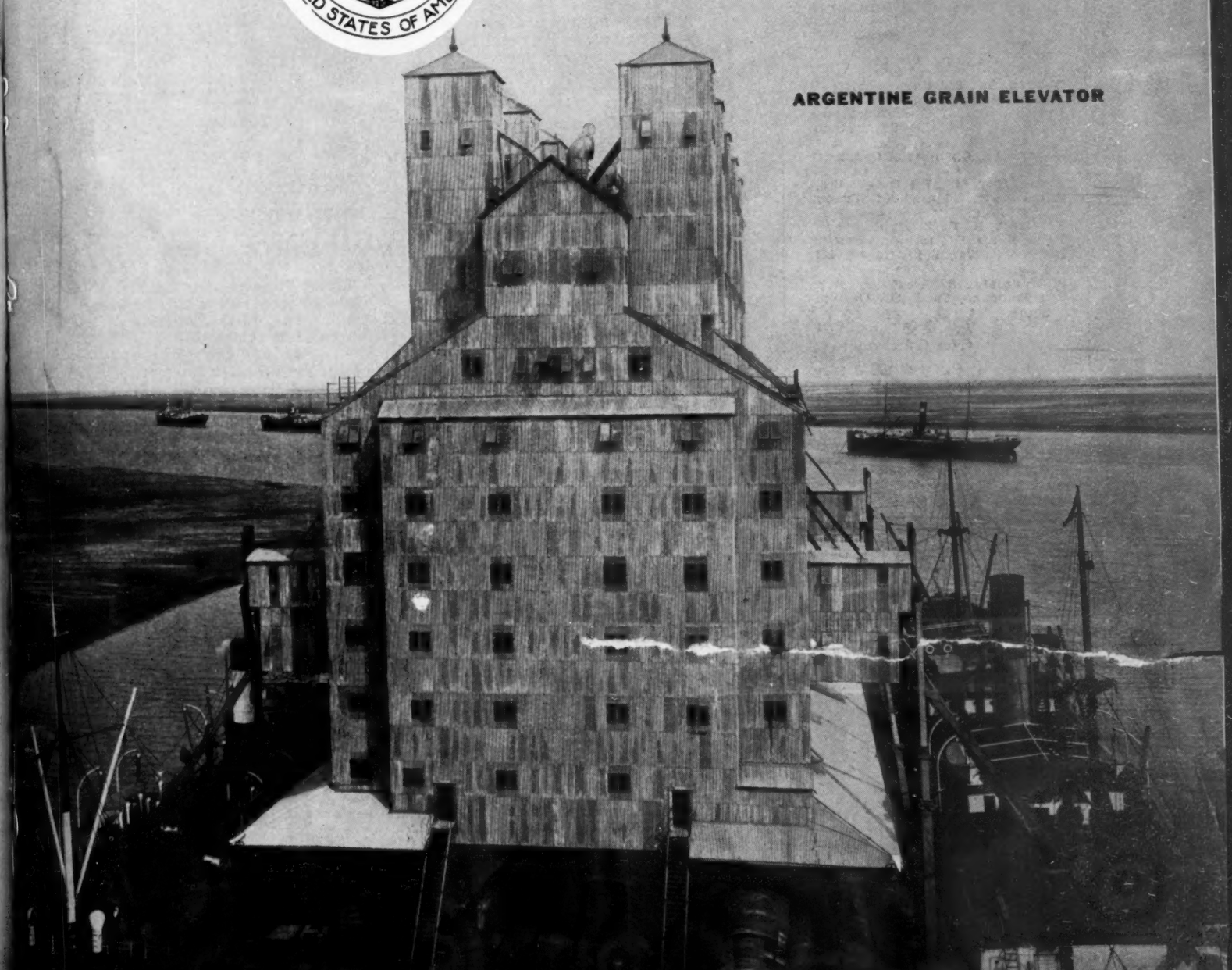

ARGENTINE GRAIN ELEVATOR

Foreign Commerce Weekly

Foreign Commerce Weekly is the official medium of the Department of Commerce for the dissemination of commercial and industrial information gathered throughout the world by the Foreign Service of the United States, and obtained from other sources.

Issued by the UNITED STATES DEPARTMENT OF COMMERCE, JESSE H. JONES, *Secretary*

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PHOSPHATE ROCK *in French North Africa*

Its Loss Is a Severe Blow to Axis Economies

By C. KENNETH HORNER, *Division of Industrial Economy*
Bureau of Foreign and Domestic Commerce

NORTH AFRICA has been exceedingly prominent in the news during recent months as the Allies have been gaining military control of this strategic locality. Aside from the geographical importance of the region, access to a variety of vegetable, animal, and mineral resources gives much advantage to the United Nations. Phosphate rock, for example, figured prominently in trade between this region and Europe during normal times when North Africa was the leading world exporter of this mineral. The advantage of the Allies lies not so much in having this phosphate rock at their disposal as in being able to cut off the Axis powers from their chief source of supply.

Algeria, Morocco, and Tunisia (as Americans have indeed had compelling reasons to know) comprise French North Africa and, with the inclusion of the small colony of Spanish Morocco and the International Zone of Tangier bordering on the straits of Gibraltar, make up the northwest corner of Africa. Tunisia, where the Axis troops made their last stand in Africa, is the smallest of the three French colonies, with an area a little less than that of Alabama. Morocco is about the size of California, and Algeria (including the desert southern territories) is more than three times as large as Texas.

The total population of French North Africa before the war was over 16,000,000, approximately 90 percent native Moslems; Europeans, largely French, constituted the remainder. Agriculture is the principal native occupation and, to a large extent, is still carried on by primitive methods. A considerable proportion of the natives (as many war correspondents have lately had occasion to tell us) are illiterate and lead a nomadic existence. The European population practices more modern farming and is chiefly responsible for the existing mineral and small manufacturing industries.

Major Economic Factors

Manufacturing in North Africa is of minor importance, consisting of small establishments for the production (chiefly for home consumption) of such commodities as foodstuffs, textiles, fertilizers, soap, candles, explosives, construction materials, machine-shop products, and handicraft articles. Mining, led by phosphate rock, is, after agriculture, the leading industry. The other minerals produced include iron ore, lead ore, barytes, and ores of nickel, cobalt, manganese, molybdenum, antimony, and zinc as well as coal.

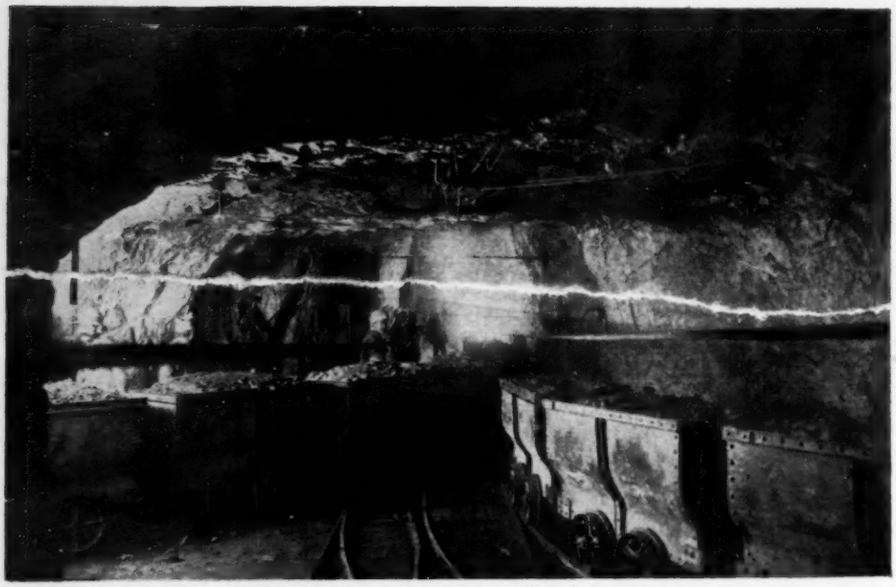
North African trade consists largely of imports of manufactured articles and chemicals and exports of minerals and agricultural products. The leading agricultural products exported are olive oil and other oils, cork, skins, argols, wine, wheat, and barley.

The relatively narrow coastal regions of the French African possessions, where the greater proportion of the population lives, are the most developed. Railroads and improved motor roads connect the leading coastal cities in all three countries. The distance from Gabes in southern Tunisia to Mogador in Morocco is more than 1,500 miles. Beyond the coastal plains, the terrain is rugged. Southern Algeria is largely desert country. The phosphate mines are located in the hills, 50 to 150 miles from the coast. Towns have developed in the vicinity of the larger mines and rail facilities run between these localities and the nearest ports. The accompanying map shows the principal known phosphate deposits, with the towns or cities and railroads of importance connected with their operation.

Phosphate's Vital Uses

Phosphate rock is today practically the sole source of phosphatic fertilizers, elemental phosphorus, and phosphorus compounds. Phosphorus chemicals are consumed in numerous industrial processes—to mention only a few: munitions, matches, metallurgy, medicinals,

General exterior view of a North African phosphate mine.



Underground gallery, Algerian phosphate mine.

detergents, photography, baking powders, and food supplements. Although war increases the demands on phosphorus and its compounds for munitions and metallurgy, the greatest consumption of phosphate rock during war or peace is in the manufacture of superphosphates for fertilizer. Three-fourths or more of the phosphate rock produced in the world is normally converted into fertilizer.

Tunisia and Morocco each normally produce between 1,000,000 and 2,000,000 tons of phosphate rock annually, ranking just behind the United States in this respect. Algeria's contribution to the world supply of this important mineral is around half a million tons each year. The almost complete absence of scientific farming in North Africa results in little local demand for phosphatic fertilizers, and practically all rock produced has been exported, chiefly to Europe. Superphosphate plants are located in or near Tunis in Tunisia, Casablanca in Morocco, and Bone in Algeria, but the total quantity of rock consumed by these plants has amounted to less than 10 percent of the marketed rock in these countries. The superphosphates produced by these plants have been more than sufficient for home consumption.

Leading World Exporters

Consequently, the export markets for phosphates have governed production in North Africa. Tunisia and Morocco are the leading world exporters of phosphate rock.

Before 1940, North Africa was supplying 50 to 80 percent of the European requirements for phosphates. It can easily be imagined how the industry has suffered from the disruption of international trade caused by the war. It is interesting to note the changes brought about by the rapid evolution of events as the war has progressed. The largest importers of the North African phosphates before the war were France, Italy, Great Britain, Germany, the Netherlands, Spain, Portugal, and Denmark. With the outbreak of war in September 1939, Germany was naturally cut off from North African sources of phosphate rock except what may have entered through neutral ports. The British blockade also prevented any supplies from the United States getting through.

Russian phosphates, however, were still available to Germany. With the occupation of Norway, Denmark, the Netherlands, and Belgium by the Nazis, these substantial markets were denied to North Africa.

Supplies Went to Axis

When France was defeated in June 1940, Germany again gained access to North Africa while Great Britain had to rely on the more distant supplies of phosphate rock from the United States and the Pacific Islands. Requirements of South Africa, which had been largely supplied by Morocco, also had to be satisfied by shipments from the United States. Italy, which had then become an active Axis partner, was able to continue importing from North Africa, although the British blockade made shipments somewhat hazardous. By the middle of 1940, North Africa was exporting significant quantities of phosphate rock only to Italy, Germany, France, Spain, and Portugal. The Axis partners obtained practically all of the Tunisian exports in 1941 at the rate of about 60,000 tons a month. The neutral countries and France took Algerian and Moroccan rock. France, which had been the chief importer of the North African phosphates, received relatively little during this period—apparently in consequence of the chaotic conditions that existed in that country.

Effect of Allied Onslaught

In November 1942, the landing of Allied troops in Morocco and Algeria once more closed the supplies of that area to the Axis. Great Britain immediately made arrangements to secure phosphate rock from this region, not only because of the shorter haul but also because the rock could easily be taken back in vessels which had brought supplies to Africa. The prolonged battle for Tunisia probably prevented all shipments of phosphate from that country while the Axis was in possession of the ports. The largest mines are located in the vicinity of Gafsa, and the phosphate is shipped largely from the port of Sfax.

Supplies of North African rock are now certainly completely shut off from the Axis. From the standpoint of the producers, however, it is questionable whether exports to the United Nations will be able to equal the quantities which the Axis had been taking. It is an advantage for Great Britain to be able to obtain phosphate rock from North Africa, but the United States as leading world producer has no need of imports. However, some rock has been brought back from Casablanca, and the competition is causing some concern to the American producers. In addition to Great Britain, neutral Spain, Portugal, and South Africa appear to constitute about all that now remains of North Africa's pre-war market for phosphate rock.

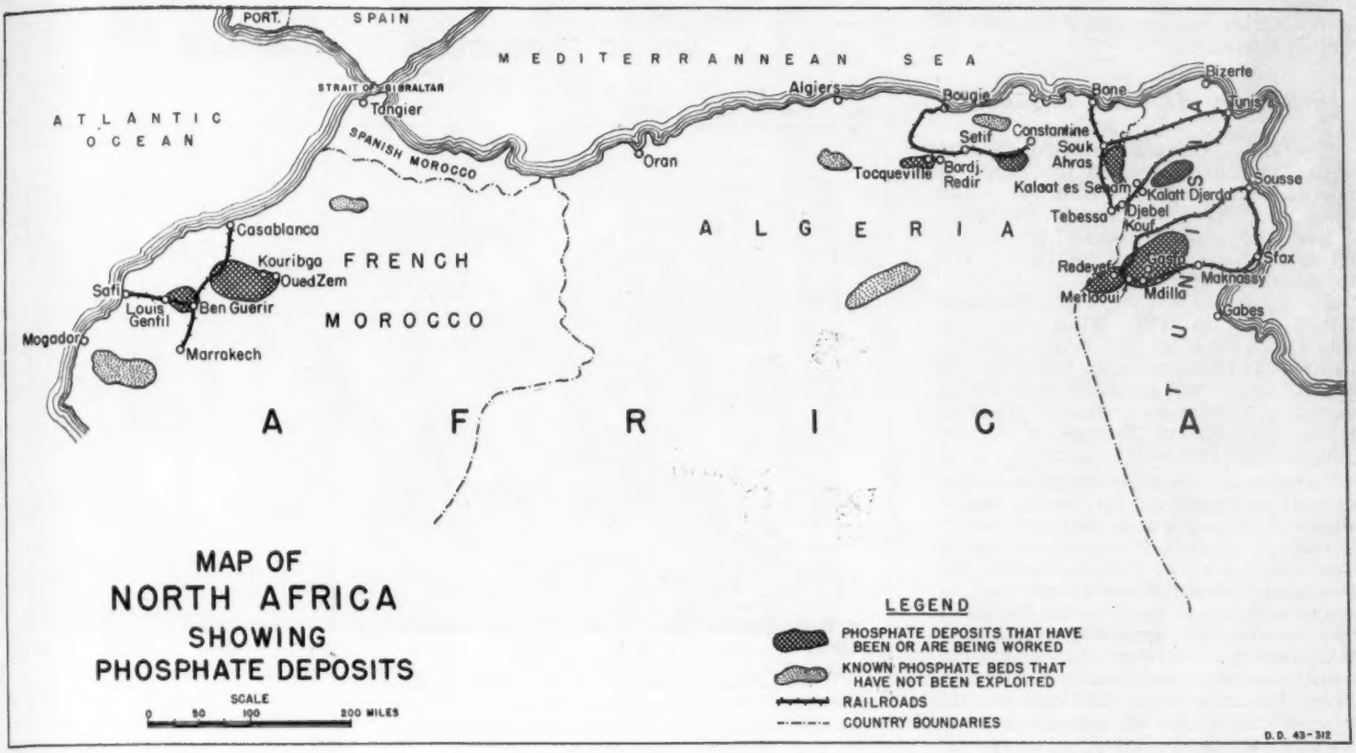
Europe's Position Weakened

The Axis and its satellites, with the exception of Japan, have no substantial sources of phosphates left to them now, as the chief Russian deposits are also out of their reach. Small deposits have been worked in France, Belgium, Germany, Austria, and other countries of occupied Europe, but these are, for the most part, either uneconomical to work or have been exhausted. These sources together with probable stock piles may supply the Axis military needs for phosphorus. European crops are apt to be curtailed because of insufficient phosphatic fertilizers, however, and this will contribute further to the sufferings of the peoples. Japan, on the other hand, has at its disposal deposits on various Pacific Islands (Nauru, Ocean, and Christmas Islands) which formerly belonged to Great Britain.

Origin of Phosphate Rock

Phosphate rock deposits, according to geologists, may originate in several ways. The consensus is that the most common source is sedimentary deposit of organic origin. Phosphates which had been accumulated in the skeletal remains of marine organisms on the bottom of the sea and then raised above the surface during a rearrangement of the earth's crust might then be further concentrated by leaching and weathering of the more soluble carbonates.

The North African phosphates are believed to be of this type—bones and teeth of prehistoric fish have been found in some of these deposits. The phosphate occurs in irregular pockets of many sizes embedded in clay, limestone, shales, or sand. The commercial value of the rock is rated on the basis of its tricalcium



phosphate content ($Ca_3(PO_4)_2$), known to the trade as B. P. L. (abbreviation for bone phosphate of lime)—a reminder of the days when bones were the chief source of phosphorus and its compounds. Workable deposits of phosphates may contain from 18 to 90 percent B. P. L.—generally they are about 60 percent. The reserves of Algeria and Tunisia have a range of 58 to 68 percent, while those of Morocco run definitely higher, 70 to 78 percent.

Distinctive Characteristics

The primary phosphatic soil mineral, of igneous origin, is known as apatite ($Ca_{10}(PO_4)_6F_2$). Crystalline apatite is of wide occurrence but rarely in sufficiently large deposits to be of commercial importance. Apatite is being or has been mined in the United States, the Soviet Union, and Canada. The common phosphate-rock deposits are amorphous in form. The chief occurring impurities, besides the accompanying sand or clay, are oxides of iron, aluminum, and silicon, calcite, magnesite, dolomite, and organic matter. The North African phosphates are in general low in the objectionable iron and aluminum impurities but relatively high in organic matter.

The value of the world-wide phosphate-rock deposits was first recognized about the middle of the eighteenth century. Before that time, organic residues, principally bones, were the chief source of technical and fertilizer phosphorus. Guano, which is an accumulation of the excrements of birds and animals, rich in phosphorus—occurring chiefly in India, Africa, the West Indies, Argentina, and certain islands off the coast of Peru—has been used for fertilizer since ancient times.

Growth in Recent Decades

The main growth of the world phosphate-rock industry, coinciding with the intensification of fertilizing, has occurred since the beginning of the twentieth century. This growth is depicted in Chart I. Except for setbacks during World War I and the depression of the early thirties, world production of phosphate rock has grown steadily from less than 3,000,000 metric tons in 1900 to over 12,000,000 tons in 1938. The United States was the first in the field with the exploitation of the South Carolina deposits in 1867 and, with subsequent discovery of more extensive deposits in Florida, has remained the leading producer.

Algerian phosphates came on the market in 1893, and Tunisia began production in 1897. Although Morocco did not begin producing until 1921, the high grade of the rock and the low cost of mining enabled that country to compete successfully with the older producers. By 1925 the combined annual output of

Transport to grinding factory. The phosphate in these cars is from the Kouif Mine, located northeast of Tebessa, in the Department of Constantine.

North Africa was exceeding that of the United States.

Important Algerian Producers

The first phosphate discovered and mined in Algeria was on the range of Djebel Dekma near Souk-Ahras. The mine was very small, and its operation ceased after the discovery of the deposits at Dyr. An English company, "The Constantine Phosphate Co., Limited, began operating a mine in this region at Djebel Kouf in 1893. This concession was taken over by the French "Compagnie des Phosphates de Constantine" in 1912, and is now the chief producer in Algeria. The mine is situated about 13 miles northeast of Tebessa on a vast plateau 1,931 feet above sea level.

Three veins of phosphate with a total average thickness of 10 feet are being worked. Mining is done underground by horizontal shafts—the usual system in North Africa. The rock is blasted, the phosphate extracted and brought out by trains to be dried in revolving furnaces. The material is transported over rail to Bone, the port of shipment, about 169 miles from the mine head. Production from this mine since 1925 has ranged from 400,000 to 800,000 tons annually.

The Compagnie de M'Zaita works deposits about 7 miles from Ain-Tassera, near Setif. The quarry system of mining is used. There are one or two strata from 27 to 31 inches thick. The phosphate rock produced is quite hard and has been used principally in Europe by the metallurgical industry. The port of shipment is Bougie, about 117 miles distant. Annual production has been sporadic but generally ranged between 50,000 and 100,000 tons. M'Zaita is mainly concerned with the mining of iron, copper, and other minerals.

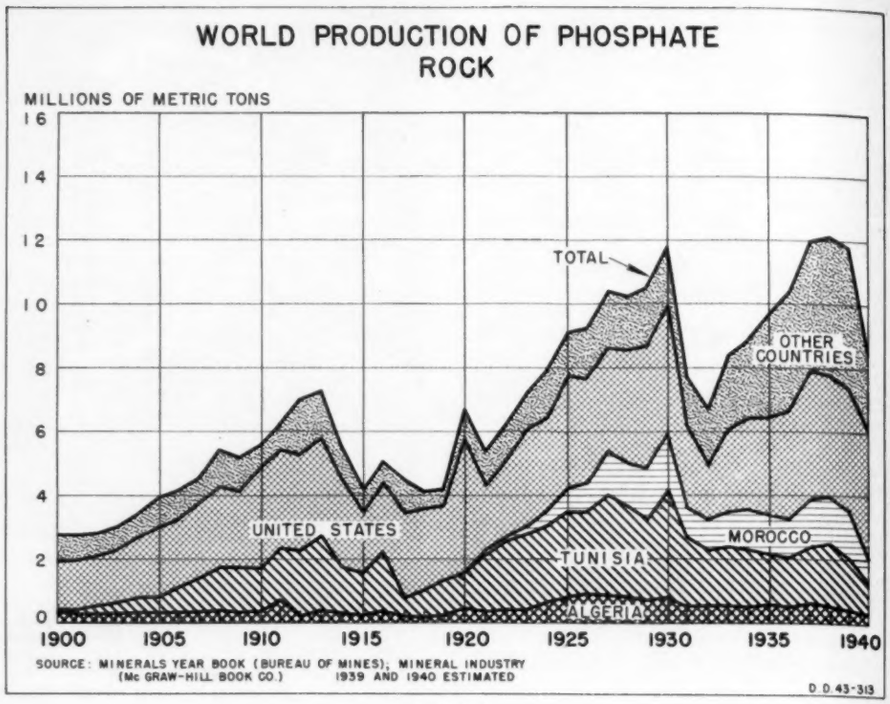
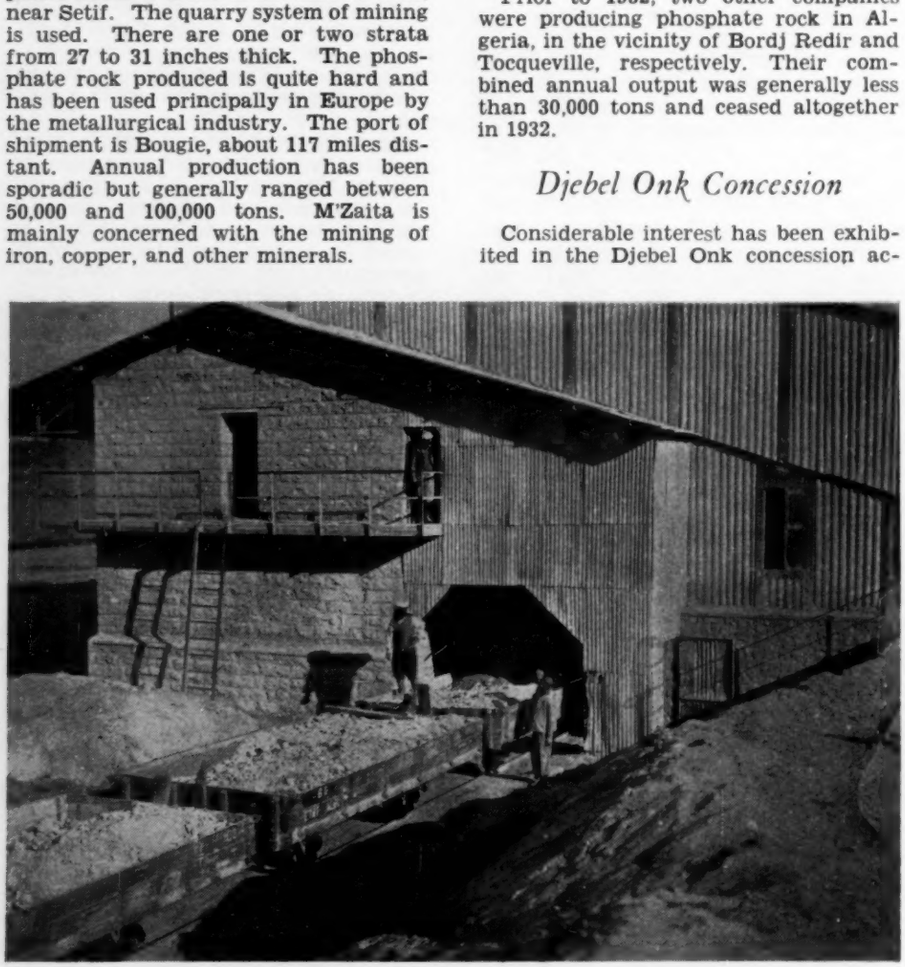


Chart I.

Prior to 1932, two other companies were producing phosphate rock in Algeria, in the vicinity of Bordj Redir and Tocqueville, respectively. Their combined annual output was generally less than 30,000 tons and ceased altogether in 1932.

Djebel Onk Concession

Considerable interest has been exhibited in the Djebel Onk concession acquired by the Compagnie des Phosphates de Constantine in 1930. Djebel Onk is situated about 50 miles south of Tebessa, and the concession covers an area of approximately 17,851 acres. The deposits, which are believed to be more extensive and of higher grade than those at Djebel Kouf, can be mined by the open quarry system. Production has not started yet because of lack of rail facilities beyond Tebessa. Difficulties have been experienced by the owners in being able to finance the building of the railroad connection which they must carry out under the terms governing the acquisition of the concession. In 1936, it was hoped that facilities for large-scale production would be available by 1949, at which time the Djebel Kouf phosphates were expected to be exhausted. The distance from Djebel Onk to the port of Bone by way of Tebessa is about 194 miles.



Drying factory at phosphate establishment in French North Africa.

Algeria's Hampering Handicaps

Early production of phosphate rock in Algeria was greatly hampered by unscientific methods, poor choice of location, American competition, poor means of communication, difficulties with labor, and uncertainty of French legislation. This appears to have checked the initial impulse in Algeria—so, after Tunisia and Morocco had entered the field, they became the leading North African producers, profiting no doubt by these mistakes. The phosphate industry in Tunisia was encouraged by larger deposits; rail facilities, being in flatter country, were developed more rapidly; and the operators were benefitted by more liberal mining laws under the Regency.

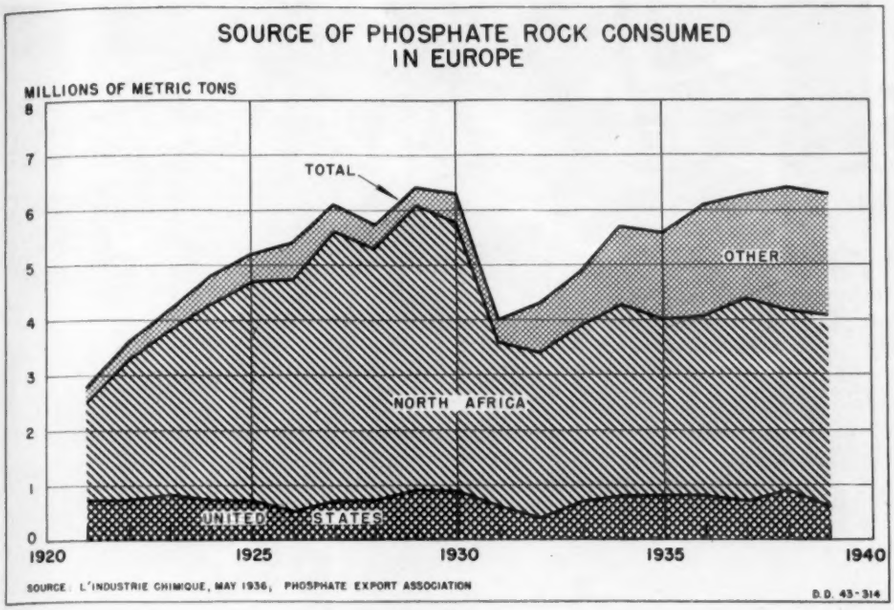


Chart II.

Tunisia's Phosphate Mines

The Tunisian phosphate mines are privately owned, almost entirely by French companies as in Algeria. The "Cie. des Phosphates et du Chemin de fer de Gafsa" is the largest company, producing normally more than a million tons annually and accounting for approximately two-thirds of the rock produced. Three Gafsa mines are worked in southwestern Tunisia in the vicinity of the towns of Gafsa, Metlaoui, and Redeyef. Other companies producing phosphates include "Djebel M'dilla" near Gafsa; "Société des Phosphates Tunisiens" working mines at Kalaat Djerda in northwestern Tunisia; "Compagnie de Saint-Gobain" producing from Kef-Rebiba mines also in the northern section, and the "Société Tunisienne de l'Hyperphosphate Reno" operating the Reno mines in southern Tunisia. The latter company started producing in the early thirties and specializes in the production of finely ground phosphate for the preparation of mixed fertilizers. The rock from the Reno mines has been in increasing demand, exports having increased from 39,309 tons in 1933 to 115,558 tons in 1938. The exports in 1938 were nearly 50 percent greater than those during 1937, in the face of a decrease in exports experienced by the three largest producers.

Mines at Meheri-Zebbeus in southern Tunisia operated by the "Société des Phosphates Tunisiens" and at Kalaat-es-Senam in northern Tunisia, operated by "Compagnie des Phosphates du Dyr," an English company, have been idle since 1934. In 1929 and 1930 the combined output of these two mines was 100,000 tons to 200,000 tons.

Tunisia Ranks High

By 1907, Tunisia was producing a million tons of phosphate rock a year, and in 1912 output had climbed to 2,000,000 tons. After the first World War, when normal production was again resumed, a peak of 3,326,000 tons was reached in 1930. Tunisia has remained second to the United States as producer and is the world's leading exporter of phosphate rock. Between 1921 and 1932 production by these two countries was remarkably close.

The Gafsa-Metaloui-Redeyef area is supplied with rail facilities to the ports of Sfax and Sousse, and the northern mines are connected by railroad with Tunis, representing hauls of 150 miles. Over 80 percent of the Tunisian phosphates are produced in the southern area and exported from Sfax. The phosphate industry furnishes the Tunisian railroads with their chief source of revenue.

Moroccan Organization

The organization concerned with phosphate mining in Morocco is unique. The government created, in 1920, the "Office Cherifien des Phosphates" with a capital of 36,000,000 francs paid from a general loan. This company has the character of a private corporation with a civilian status for all legal purposes but is semiofficial in its relations with the government. It is managed by a Director General who is responsible to a board of directors, and ordinary commercial laws and usages apply to its transactions. The Office Cherifien has a monopoly for the exploitation of all Moroccan phosphates.

The principal deposits in Morocco are in the vicinity of Oued Zem and Kouribga, about 120 miles southeast of Casablanca; and at Louis Gentil, about 50 miles east of Safi. Smaller and unworked deposits are situated south of Louis Gentil and east of Mogador. The Kouribga deposits were the first to be opened, and by 1923 modern mining facilities and railroad connections with the port of Casablanca were completed. In 1930, the loading installations at the port were enlarged. The railroad from Kouribga to Casablanca represents a haul of about 90 miles; it has been electrified and is downgrade all the way to the coast, thus allowing a great saving in transportation.

The Louis Gentil mines were opened in 1934. During the construction of rail facilities to the port of Safi, the rock was transported to Casablanca by way of Ben Guerir on the main line between Casablanca and Marrakech. In 1936, the railroad between Ben Guerir and Safi

Native workmen in a phosphate mine in French Morocco.

was completed, running through the whole length of the Louis Gentil deposit. The distance from mine to port is about 50 miles and also downhill. Although the grade of rock from the Louis Gentil mines is somewhat lower than that at Kouribga, it has been developed to conserve the higher-grade ore as well as to guarantee independence of the Office Cherifien of a single railroad and port.

Analysis of Major Trends

A graphical presentation of the situation with respect to European consumption of phosphate rock and the place that the North African product has held in the market is shown in Chart II. Although producing less than 15 percent of the world's supply of phosphate rock, Europe consumes 50 to 60 percent. Before the first World War, the United States supplied Europe with substantial amounts of phosphates—1,300,000 tons, or 30 percent of the consumption, as compared with 52 percent from North Africa, in 1913. After that war, Europe's consumption of phosphate rock more than doubled by 1929, when 81 percent came from North Africa and only 14 percent from America.

TABLE I.—*Exports of Phosphate Rock From French North Africa*

[In thousands of metric tons]

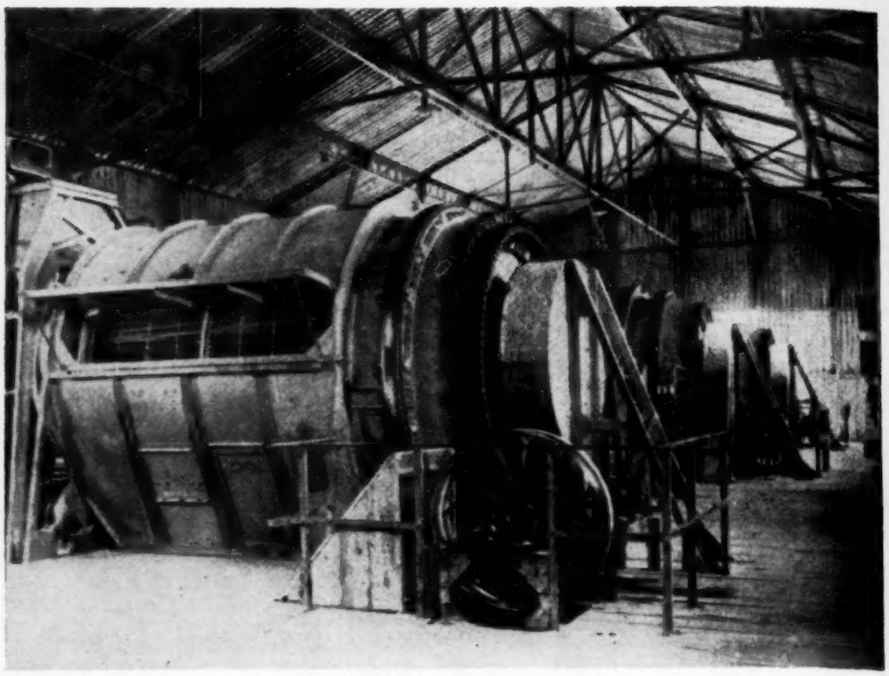
Year	Algeria	Tunisia	Morocco	Total
1900	278	171	----------	449
1901	278	178	----------	456
1902	266	267	----------	533
1903	301	361	----------	662
1904	345	457	----------	802
1905	348	530	----------	878
1906	302	747	----------	1,049
1907	343	957	----------	1,300
1908	363	1,270	----------	1,633
1909	351	1,225	----------	1,576
1910	319	1,286	----------	1,605
1911	333	1,447	----------	1,780
1912	388	1,923	----------	2,311
1913	439	1,985	----------	2,424
1914	355	1,427	----------	1,782
1915	226	1,088	----------	1,314
1916	380	1,034	----------	1,414
1917	203	613	----------	816
1918	199	819	----------	1,018
1919	242	815	----------	1,057
1920	335	900	----------	1,235
1921	372	1,455	8	1,835
1922	525	2,073	80	2,678
1923	551	2,252	191	2,994
1924	801	2,389	436	3,626
1925	760	2,579	721	4,060
1926	619	2,657	875	4,151
1927	876	2,956	1,183	5,015
1928	767	2,684	1,323	4,774
1929	808	3,018	1,592	5,418
1930	765	2,643	1,761	5,169
1931	459	1,784	883	3,126
1932	566	1,623	973	3,162
1933	596	1,751	1,091	3,438
1934	651	1,808	1,255	3,714
1935	505	1,494	1,297	3,296
1936	563	1,672	1,201	3,436
1937	572	1,929	1,526	4,027
1938	485	1,591	1,433	3,509
1939	[1] 520	1,803	[1] 1,475	3,798
1940	[1] 300	[1] 925	[1] 675	[1] 1,900

[1] Estimated by Bureau of Foreign and Domestic Commerce.

Source of data: Official statistics.

Total annual exports of phosphates from the French North African colonies since 1900 are given in Table I. The Moroccan industry, whose beginning coincided with the growth of the European market, no doubt profited at the expense of the Tunisian and Algerian producers. However, all three countries enjoyed their most prosperous years between 1925 and 1930. Despite the general prosperity during these years, the Tunisian and Algerian producers were becoming more and more concerned over the competition given them by the Moroccan and United States phosphates. Both of these competitors were able to put a higher-grade rock on the market. The United States product could not economically command a more favorable price in Europe, but the ease and cheapness with which Morocco could produce the phosphate rock gave it a double advantage.

When the depression of the early thirties hit the European market, the demands for phosphate rock took a "nose dive," consumption dropping to 4,000,000 tons in 1931, the lowest since 1922. Exports picked up in 1933, but a depreciation of the United States dollar at this time virtually threw the North African producers into a panic.



Phosphate sifting drums, Morocco.

Significant Agreement

This was the spur apparently needed for the North African companies to arrive at a final mutual agreement to regulate the export market. In the summer of 1933, a cartel of the North African producers was signed, and in September it was extended to include the Egyptian and United States exporters.

The Office Cherifien of Morocco, by the nature of its organization, was unable to be an actual party to the cartel, but its commercial general manager, who was mainly responsible for the formation of the "Comptoir des Phosphates d' Algerie et de Tunisie," had a position on the board of managers which assured the cooperation of Morocco.

Full details of the agreement were not made public, but all participants evinced satisfaction at the outcome. It prevented price cutting and maintained North Africa as the chief supplier of phosphate rock to Europe.

Europe's Phosphate Consumption

In 1938, European consumption of phosphate rock again reached the 1929 peak. Although the United States' share equaled our 1929 exports to Europe of approximately 900,000 tons, European imports from North Africa fell considerably short of the pre-depression volume. This change was due in part to decreased consumption by some of the older importers, particularly France, Belgium, the Netherlands, and Spain; trade with the last-named country was disrupted by civil war during 1936–9. To compensate for the drop in consumption by these European countries, the Soviet Union had greatly increased the use of its own phosphate rock. Some was exported to other European nations in lieu of imports from North Africa, no doubt, but the increasing Russian production was consumed for the most part at home. Russian consumption of phosphate rock increased from 7,000 tons in 1925 to over a million tons in 1938.

The trend in the distribution of the phosphate exports from North Africa for selected years is shown in Table II. In general the rock from each of these three countries has been distributed among the various European countries. France, the leading importer, took the greatest proportion from Tunisia—over a million tons during both 1925 and 1930 from this source alone. The Morocco rock found greatest favor in Italy, the Netherlands, Denmark, and Spain. If the exports in 1925 are compared with those of 1930 and 1938, it is seen that the markets in Italy and the Netherlands were obtained largely at the expense of Algeria. Morocco also exported

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GERMAN CARTELS—
Their Evolution Under War Conditions

By Louis Domeratzky, *Division of International Economy*
Bureau of Foreign and Domestic Commerce

AMONG THE MANY CHANGES in the German economy produced by the totalitarian scope of the war, the subordination of the cartel is one of the most significant, in view of the conspicuous part played by that organization in the German economic development. This is not an entirely new experience for the German cartel, which also underwent a change in functions during the First World War and the inflation period.[1] This time, however, the change appears to be much more fundamental. Ever since the inauguration of the Hitler regime, the cartel has been stripped, one after another, of practically all the economic functions which constituted its chief reason for existence.

This subordination of the cartel, or even its practical disappearance in many instances, which is now receiving so much attention in the German press, does not, of course, mean that German economy is becoming less concentrated or that the leading personalities in the concentration movement have been displaced. On the contrary, the chief reason for the loss of status on the part of the cartel is that it was not sufficiently strong to perform the functions now required to direct the entire German economy to the war effort. The cartel has, therefore, been reduced in many cases to the rank of a subdivision of a more comprehensive organization, specially adapted to "manage" the part of the national economy assigned to it.

In its traditional form the German cartel was fundamentally an organization designed to protect producers and distributors from what they regarded as the evils and abuses of free competition, or to establish, when possible, a monopoly for their benefit. A more academic interpretation assigned to the cartel the function of preventing imperfect competition from developing into a practical monopoly. The head of one of the recently organized Reichsvereinigungen, which are in many cases replacing or subordinating the cartel, has referred to the latter as organized selfishness. The State has interfered, sporadically, to protect the consumer or producer outside the cartel, but in some cases has also compelled producers to establish more perfect cartels without any "outsiders."

Traditional Cartel Functions

The German cartel was due for a change which would have taken place, probably in a more evolutionary form, without the advent of the Nazi regime, perhaps under the influence of the growing political strength of the Social Democrats. The results of the Enquête and the intervention of the Bruening Government in the cartel price situation during the depression of the early thirties[2] showed that there was no lack of recognition of the unsatisfactory working of the cartel system from the standpoint of the consumer. Considering the German political psychology and economic background, it is safe to assume that the solution would have been found along the line of greater intervention on the part of the State. The fact that the Weimar Republic was not sufficiently strong, or perhaps was incapable of using its political strength, to intervene effectively in the cartel situation does not necessarily mean that effective State intervention could have been held off indefinitely.

The Nazi Approach

The Nazi regime, with rearmament as the central objective, approached the cartel problem from the standpoint of the organization of the national economy for the greatest output, rather than from the standpoint of the impact of the cartel on the consumer. To the new Government, the cartels, and other forms of economic concentration appealed as instruments to be utilized as extensions of the Government's power to control the national economy for the new political objectives. In the process of becoming such an instrument the cartel soon lost not only its capacity for influencing the market for the benefit of the participating producers or distributors, but also most of its functions connected with the control of supply. This happened because the State, in its efforts to gain control over the economy, took over one by one the functions of controlling prices, supplies, foreign trade, wages, interest rates, capital market, and direction of investments.

The cartels, instead of limiting production and controlling prices, were ordered to help in utilizing the full production capacity of its membership, by converting, if they involved essential industries, or by curtailing or even closing down plants if they produced nonessential consumer goods. A cartel, the chief function of which is to regulate production so as to prevent bothersome competition, cannot find any legitimate reason for existence when the demand far outstrips supplies and when the production facilities are strained to the utmost under the watchful eye of a totalitarian State. Under those circumstances any attempt on the part of a cartel to carry out its traditional policy—if such an attempt could be imagined under the present totalitarian war in Germany—would be regarded by the Nazi Government as treasonable, and severely punished.

Cartels Under Control

In addition to losing practically all its economic functions under the war economy, the German cartel has been put under such rigid control that it has lost practically all freedom of action. The price control, as mentioned above, has been taken away by the Government Price Commissioner. Ever since 1934 all existing price-control arrangements of cartels have been subject to the approval of the Minister of National Economy. The cartel has been deprived of the right to fix quotas or divide up territories and markets.

Under the Gemeinschaftswerke law of September 4, 1939, industrial organizations can be created that can compel their members to expand, curtail, or close down, to apply certain processes of production, and the like. It is evident that in comparison with an organization with such comprehensive powers the traditional cartel pales into insignificance, even under the compulsory form provided for by the law of July 15, 1933.[3]

[1] See Trade Information Bulletin, No. 556, "The International Cartel Movement," published by the Bureau of Foreign and Domestic Commerce, June 1928.

[2] See International Reference Service No. 19, "Price Control in Germany—Policy and Technique," published by the Bureau of Foreign and Domestic Commerce, April 1941.

[3] See "New German Cartel Policy," published by the Bureau of Foreign and Domestic Commerce, as Special Circular No. 285, Division of Regional Information, November 1, 1933.

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By the decree of October 20, 1942, the powers of the Minister of National Economy over all forms of marketing organizations were extended to include any organization or part thereof that may influence the market. Under this decree the Minister of National Economy can make the formation of any such organization subject to his approval, dissolve or combine existing organizations, forbid the managers and other officers to engage in activities connected with marketing organizations, and change the regulations governing them.

The German press is filled with statements about the "combing out" of the cartels, and President Kehrl (in charge of Reichsvereinigungen) announced that of the 2,200 cartels only about 500 are likely to survive. It should be pointed out, however, that in view of the great concentration in German industry, the new organizations which are replacing the cartel do not necessarily involve a change in personal power. Many of the big businessmen in leading industrial organizations prior to the outbreak of the present war, or even before the advent of the Nazi regime, are still in prominent positions in the present alinement.

New Forms of Organization

While the cartel has not entirely disappeared, despite the loss of its main functions and the very considerable decrease in numbers, new forms of organization, better adapted to the new circumstances, have come into existence. The outstanding feature of the new organizations is their variety and frequent regrouping, which would seem to indicate their more or less experimental character and, perhaps, also the strain under which the German economic planners are now working.

Among the new organizations two forms deserve particular attention—(a) Reichsvereinigungen and (b) Gemeinschaftswerke—both coming under the general designation of "managing" or "steering" organizations (Lenkungsverbände). These should be distinguished from the special bodies (Ausschüsse and Ringen) which are not marketing organizations and whose special function is to facilitate the proper distribution and execution of war orders.

The new organizations have very wide powers, far beyond anything exercised by the traditional cartels. In carrying out their main task of increasing production they have been given the powers to control distribution of raw materials, allocate orders and labor, to compel changes in production processes, close down plants, standardize products, pool experience, and take other such measures.

The new organizations have a number of things in common, but vary in scope as well as in detail of organization or administration. They are all based on compulsory membership and the leadership or autocratic principle, as opposed to what the Germans call the "parliamentary" principle of the old cartels. In many cases they are not confined to the control of a single industry and are much more highly integrated, covering distribution as well as production. They have very little to do with marketing in the old sense of the term.

In the new organizations it is expected that the Government is to determine the policy rather than exercise control over administrative details.

Two Classes

In general, the Reichsvereinigungen are divided into two classes—those confining themselves to stimulating production and managing distribution, leaving other phases of control to the Reichstellen or the Fachgruppen; and those which, in addition to the above functions, are also empowered to take over all other phases of control. These include participation in price formation, stimulation of output, control of distribution of raw materials, allocation of production, arbitration of disputes between subordinate associations and closing down of nonessential plants. In certain industries the distinction between the various categories of organization is somewhat academic in view of the close personal relationship between them. Thus, in the case of synthetic textile fibers, the head of the Vereinigung Chemische Fasern is also the head of the corresponding Fachgruppe, or trade association.

While the Reichsvereinigungen are subject to the Minister of National Economy by virtue of the compulsory cartel decree of July 15, 1933, they are expected to function on the basis of "self-government," which, as will be shown later, seems to have a rather limited meaning in the German interpretation.

Administration

In its administration the Reichsvereinigung maintains the offices of a chairman, executive committee, advisory board, and others, but the chairman, who has the power to issue orders binding on all the members, is nominated by the Minister of National Economy or subject to his approval and is expected to represent the Government as well as the industry. In the case of the new coal organization, the chairman is nominated by the executive committee, with the approval of the Minister of National Economy, and named by Reichsmarshal Goering. The chairman in the new organization generally has the deciding voice in the case of a disagreement.

The actual administration of a Reichsvereinigung is in the hands of a director or directors under the chairman. The director is nominated by the chairman, with the approval of the Minister of National Economy, and participates to an important extent in the formulation of policies, but the responsibility rests on the chairman. Decisions regarding closing down of plants, imposition of penalties, assumption of substantial financial obligations, must be made by the chairman.

No Clear Distinction

It is not very easy to find a clear distinction between the Gemeinschaft and the Reichsvereinigung. There does not seem to be any difference in the manner of organization or powers. It is possible that the Gemeinschaft is used where the range of commodities or interests is unusually wide. Thus we find that the Gemeinschaft for the shoe industry includes the manufactures of shoes made of leather, rubber, and all substitute materials; it also includes shoes dealers and repair shops in Germany and in the Protectorate of Bohemia and Moravia where the extensive Bata plant is located. The Gemeinschaft for hollow glassware also covers a very wide range of products and a large number of producers, including the extensive production facilities in the Protectorate.

The difference between the old-type cartel and the more comprehensive organization which has already replaced it in a number of important German industries may best be shown by a more detailed description of some of the new types of organization—for example, the cement and the coal industries.

Cement Industry Organization

The reorganization of the German cement industry furnishes a good illustration. The industry has been subject to the fluctuations and disturbances that seem to beset the large-scale production of cement in many industrialized countries. The dependence of the cement industry on cheap transportation and proximity of raw matrials has lead to an unbalanced development of the industry in certain parts of Germany, with excessive production facilities in the western part. Repeated efforts to organize the industry on a national scale, prior to the reorganization of 1940, have been, on the whole, unsuccessful. Up to 1940 the German cement industry was divided into four associations or regional cartels, North German, West German, South German, and the Hütten-Zementverband which represented the cement subsidiaries of the large iron and steel groups and the I. G. Farben. The relations between these associations were regulated by territorial and price agreements of a more or less temporary character, which gave rise to considerable disturbance. The various associations also provided for joint selling and were supplemented by private agreements between individual concerns.

In view of the military importance of cement and of the transportation factor involved, the Minister of National Economy, by a decree of October 12, 1940, ordered the creation of a top organization for the whole cement industry—the Deutscher Zementverband—on the basis of the Compulsory Cartel Act of July 15, 1933.[4] The four regional cartels mentioned above, their affiliates, and other producers, were ordered to join the new organization, whose chief functions were to regulate the relations between the subordinate associations, to represent the export interests of the whole industry, and to represent the industry in its relations with cement organizations

[4] See "New German Cartel Policy," published by the Bureau of Foreign and Domestic Commerce, as Special Circular No. 285, Division of Regional Information, November 1, 1933.

in foreign countries. The latter is of particular significance in view of the ambitions of the present German political regime to expand German cartels to cover the whole European Continent.[5]

Powers and Functions

The new organization is empowered to issue directives regulating the relations between the subordinate organizations, which are obligated to submit all necessary information and whose actions are subject to approval by the top organization. The administration of the Zementverband is vested in a board of directors (Beirat), consisting of the heads of the four regional cartels, the head of the trade association representing the whole cement industry, and five members named by the Minister of National Economy upon consultation with the Association of Stone and Earth Industries, including at least one representative of the independent producers.

The chairman of the whole organization, who is also the head of the board of directors and who must not be the head of any cement syndicate, is nominated by the board, subject to the approval of the Minister of National Economy. In a case where three-fourths of the membership of the board of directors dissent from the decision of the chairman, the final decision rests with the Minister of National Economy.

In line with its function to establish relations with the cement industries of other countries, the new Zementverband absorbed the Slovak cement cartel and established sales agencies in Upper Silesia and Alsace Lorraine. In Germany itself, however, the sales organizations of the existing regional cartels continued to function for a time, with the exception of two new sales agencies in Western Germany which were established to represent the Zementverband as well as the West German cartel. A similar arrangement was made to cover the Austrian market.

One of the basic functions of the new organization was to rationalize the use of transportation facilities by the cement industry, and the subordinate cartels were, therefore, ordered to ignore territorial limitations in making deliveries.

Central Selling Organization

To carry out its task of rationalizing the whole cement industry, the Zementverband established, with effect from January 1, 1943, a central selling organization for the whole of Greater Germany, abolishing the sales agencies of the regional cartels as well as its own, with the exception of those belonging to the Hütten-Zementverband, made up largely of the cement plants connected with the iron and steel industry. The new selling organization consists of five main offices (Zementgemeinschaften) with exclusive sales territories, subdivided into smaller selling organizations (Verkaufsgruppen and Verkaufstellen), which are in direct contact with the consumers and producers. This move represents both a centralization and a decentralization, as compared with the sales organizations of the regional cartels. It is contemplated that the new organization will be in a better position to present a united front against foreign competition after the war.

The full significance of the change in organization of the German cement industry naturally will be determined by the basic organization of the German economy, which in its turn will depend primarily on the outcome of the war. It is obvious, however, that the new organization differs essentially, in its scope as well as in its relations with the Government, from the regional cartels which have been retained in a more or less subordinate capacity under the Zementverband.

Organization of Coal Industry

The new organization for the coal industry (Reichsvereinigung Kohle) represents the more comprehensive type. From a theoretical standpoint, the new development does not represent a radical departure in view of the fact that the coal industry was placed under Government supervision by the Coal Act (Kohlenwirtschaftsgesetz) of March 23, 1919, passed during the socialization period of the Weimer regime. By the provisions of that law, the Government assumed supervision over the organization of the coal industry through a council (Reichskohlenrat) consisting largely of representatives of employer and labor organizations, nominated by the respective organizations, and other members nominated by the Government and representing the various interests involved in the coal industry, including consumers. The basic functions of the council provided for by the 1919 law were to prevent injurious competition and to protect consumers and labor through participation in the fixing of prices, labor, and working conditions. The whole industry was organized into 11 compulsory regional syndicates, with the Reichskohlenverband as the top organization supervising the relations between the syndicates and representing the industry and trade in their relations with the Government.

Despite the theoretical powers of the Coal Council which, like other socialization efforts of the Weimer regime, never attained full development, the German coal organizations managed to retain their independence and occupied a prominent place among the active and aggressive private industrial organizations in Germany. This is particularly true of the coal industry proper, whereas the lignite industry on the whole was not so well organized. The influence of the top organizations, created in 1919, was mostly indirect.

Links With Government

The establishment of the raw-material-control organizations in 1934 created another link connecting the coal industry with the Government by the appointment of a representative of the industry on the respective coal board. In 1939 the coal council created by the Coal Act of 1919 was abolished. In 1940 the control board for coal was replaced by a coal commissioner directly under the Minister of National Economy, who took over, among others, the functions of the Coal Council.

The important place occupied by coal in the war effort, and the expansion of the German control over a large share of the coal resources of the European Continent has made it necessary to strengthen the organization of the coal industry.

The Reichsvereinigung Kohle provided for by the ordinance of the Minister of National Economy of April 12, 1941, comprises the whole German coal-mining industry and trade with their respective organizations, and represents the whole industry in its relations with the Government. The interesting fact about the new organization is the personal relationship. Paul Pleiger, the chairman of the new Reichsvereinigung, is also the head of the Government control board for coal, as well as the general manager of the Hermann Goering combine.

Field of Activity

Legally, the new organization is based on the Compulsory Cartel Act of July 15, 1933,[6] and the Gemeinschaftswerke decree of September 4, 1939 (see paragraphs under heading, "Cartels Under Control" near the beginning of this article). The field of activity of the new organization covers stimulation of production, improvement in conditions of mine labor, management of distribution, adjustment of disputes between the coal syndicates and their members, regional organization of coal allocation, planning of transportation of solid fuels, participation in all important projects based on coal, compilation and application of coal consumption statistics, and general supervision over the carrying out of adopted measures. In addition, the new organization is to cooperate with the Minister of National Economy in negotiating coal agreements with other States, supervise the execution of agreements concluded, and to negotiate coal agreements with producers in foreign countries involving prices, delivery terms, division of markets, and other such matters, under the direction of the Minister of National Economy.

The chairman of the organization is nominated by the board of directors with the approval of the Minister of National Economy, and appointed by Reichsmarshal Goering. The two deputy chairmen are at the head of the Economic Group for Mining (Wirtschaftsgruppe Bergbau), and the Economic Group for Commerce (Wirtschaftsgruppe Handel). The Board of directors consists of 10 members in addition to the chairman and his two deputies, is nominated by the

[5] See "The German Cartel as an Instrument of Economic Control of the European Continent," which appeared in FOREIGN COMMERCE WEEKLY of June 7, 1942.

[6] See "New German Cartel Policy," published by the Bureau of Foreign and Domestic Commerce, as Special Circular No. 285, Division of Regional Information, November 1, 1933.

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World BRISTLE Trade Faces Difficulties

War's Blocking of Customary Foreign Sources Has Engendered New Efforts, Shifts, and Expedients

By Donald S. Parris and Ruth C. Leslie, *Division of Industrial Economy*
Bureau of Foreign and Domestic Commerce

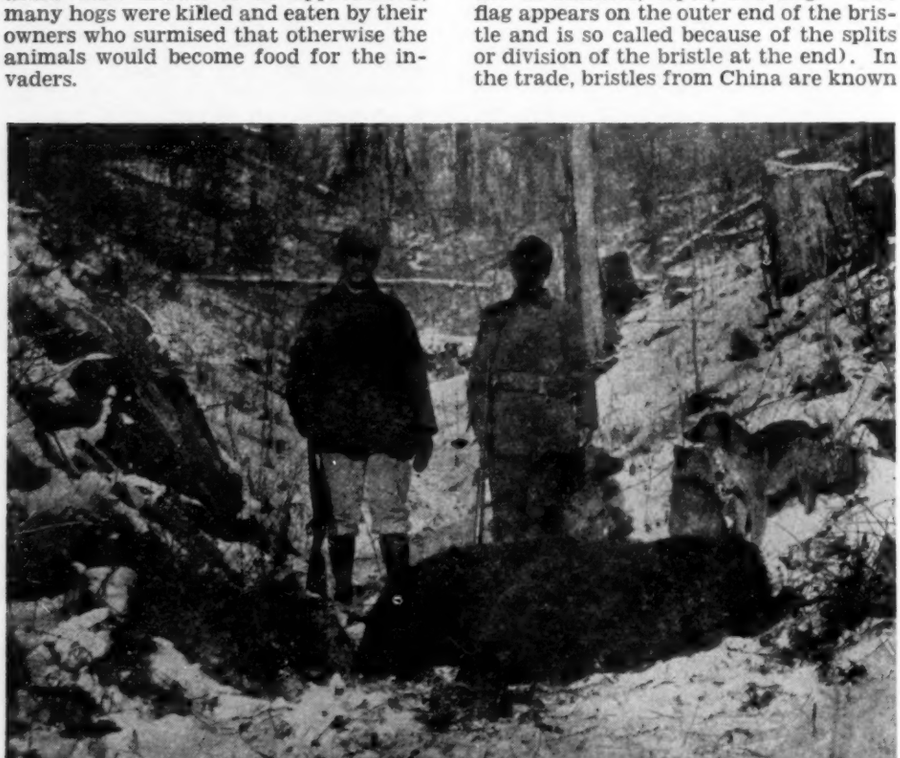
PRIOR TO JAPANESE OCCUPATION and the closing of all normal exit routes from China, that country was the chief source of the world's supply of bristles, furnishing approximately 94 percent of the United States bristle imports during 1940. It is believed, however, that for some time after the war there will be a large reduction in the quantity of long bristles found in the parts of China that have been occupied by the Japanese, because when the Japanese were known to be approaching, many hogs were killed and eaten by their owners who surmised that otherwise the animals would become food for the invaders.

China's Bristles

The hog which produces long bristles in China is a rough strain that is allowed to attain a ripe old age before being slaughtered. In the years of its growth, it develops large quantities of the long bristle which is so well suited to the production of many types of brushes.

Different areas in China, because of great variation in the terrain and climate, produce bristles of different qualities of stiffness, taper, and flag. (The flag appears on the outer end of the bristle and is so called because of the splits or division of the bristle at the end). In the trade, bristles from China are known by the names of the principal places or sections where they are dressed or prepared, such as "Tientsin," "Mukden," "Hankow," "Chungking," "Yunnan," and "Shanghai." Soft bristles generally come from northern China and Manchuria.

The principal grades imported by the United States are soft bristle and stiff bristle, usually black, and generally dressed in bundles in quarter-inch steps from 2 to 6 inches in length.



Courtesy Charles K. Moser

There are good bristles on these eastern-Siberian boars.

Bristles From Soviet Union

Bristles from sources other than China are ordinarily known by the name of the country in which they originate or are dressed, such as Russian, Indian, and French.

After China, the U. S. S. R. was our largest source, furnishing 4 percent of the bristles imported by this country in 1940. Russian bristle is chiefly yellow, though some is gray, and much of it is heavier and coarser in texture than Chinese. It was used principally where the bristle was required to resist abrasion or the softening effect of water—in brushes for use with cold-water paints and calcimine, in shaving brushes, and in certain types of machine brushes.

Small amounts came from South America.

In 1940, United States general imports of hog bristles totaled approximately 6,900,000 pounds. Reexports amounted to more than 1,000,000 pounds; thus apparent consumption was about 5,900,000 pounds. Canada and the United Kingdom took more than 90 percent of the reexports.

War Brings Sharp Changes

During the period between World War I and World War II bristles were not produced commercially in the United States. The principal reason for this is that hogs are raised in this country primarily for meat purposes and are bred and slaughtered while young, thus pre-

Courtesy Chungking Bristle Co.

Dressing the bristle to size, in China. A most difficult process, this requires continued practice over a period of years—and very nimble fingers.

venting an extensive and heavy growth of bristles. Some strains of American hogs are practically hairless. Other factors unfavorable to the production of bristles have been: The moderate climatic conditions in most areas; better feeding and housing of the animals; and the lack of labor trained in the collection, preparation, and dressing of bristles.

So long as a good quality of bristles was available from China in sufficient quantity at reasonable prices, we depended upon that source of supply. Domestic bristles, however, are now being collected and dressed, machines being used for some of the operations performed by hand in China.

In the past few years bristle dressers have migrated to the United States from Europe and are now engaged in dressing small quantities of raw bristles received principally from Latin America, and three firms are known to be training people to process raw domestic bristles.

It is now believed by the brush makers that the American hog may be the means of rebuilding the entire industry. It has been estimated by one authority that an annual supply of at least 1,000,000 pounds of good usable bristle may be obtained from domestic hogs.

Dressing Domestic Bristles

There have been many improvements in dressing domestic bristle since it first entered the market many years ago. It was then dressed only for use in the cheaper grades of brushes, and little attempt was made to produce a high-quality product. As it is dressed today, it is as good as any bristle produced in any country in the world.

American bristles differ in color and other characteristics and properties, depending upon the breed of hog from which they are taken as well as upon season and geographical location in which they are taken. The colors are yellow, bronze, and black (or grey when these colors are mixed).

Bristles range in sizes up to 3¾ inches, with a small percentage 4 inches and 4½ inches long, but the shorter-length bristles—3-inch or less—comprise a large part of the total production.

The meat-packing houses are participating in the collection of raw bristles from American hogs by hand-pulling the longer bristles that appear on the back of the hog's neck and along the spine to a point over the hams. All bristles having a length of 2¾ inches or longer should be hand-pulled, and each handful of bristle clumps should be laid in a box having a screen bottom to permit rapid drying.

Bristle is valued according to length and condition, and it is very necessary for the bristle-puller to preserve the end-for-end relationship of bristle—that is, avoid mixing the flag and butt ends, thus making easier the many subsequent operations necessary to produce dressed bristles.

From 60 to 65 percent of all brushes manufactured in the United States are made of bristle of from 2½ inches to 3½ inches. These lengths are available in domestic bristle, and it is believed that, with improved machinery to eliminate the hand work in dressing, domestic bristle can compete with the foreign product in price as well as quality.

The entire production of *dressed* domestic bristle will be purchased by the U. S. Government, and resold by the Government to users.

Bristles by Air

In one 8-week period the United States Air Transport Service moved *32 tons of bristles* for the Navy, 70 tons of silk for parachutes, 47 tons of tin, and 70 tons of tungsten from China to India, says the Office of War Information.

South American Bristles

There is, according to authorities in the brush-manufacturing industry, an increasing supply of bristle available from South America—most of it dressed there, some dressed in the United States. However, it is not always dressed to the highest standards of quality.

Several persons—from Government and from industry—have gone to Latin American countries to describe the methods of preparation that would be most acceptable to the brush industry.

War Needs Now Dominate

The most essential uses of hog bristles at present are in the production of combing (or dabbing) brushes used in woolen mills to make cloth for the uniforms of all the armed forces, and of paint and varnish brushes which the Navy, Maritime Commission, and private shipyards require in large quantities for the maintenance of maritime equipment. Plates used for ship bottoms are not highly polished and paint applied by brush rather than by spray adheres more thoroughly to the rough surfaces. The Army also requires large numbers of brushes for use in construction and maintenance operations.

Main Peacetime Uses

Bristle also has important uses in peacetime in the production of paint and varnish brushes, tooth and other toilet brushes, and dabbing brushes for the woolen industry. It is used also in brushes for the cotton-ginning and cotton-mill industries. In these industries, stiffness, flexibility, durability, and elasticity are as necessary as in the paint-brush industry. The other characteristics which make bristle so important to the paint-brush industry—that is, its construction, thick at the flesh or butt end and tapering slightly toward the flag end—are unimportant in these other uses.

Brushes are manufactured with the view of serving a definite purpose, and different types and lengths of bristles are mixed in order to give the proper working qualities. Admixture is also made with horsehair and certain vegetable fibers in varying quantities.

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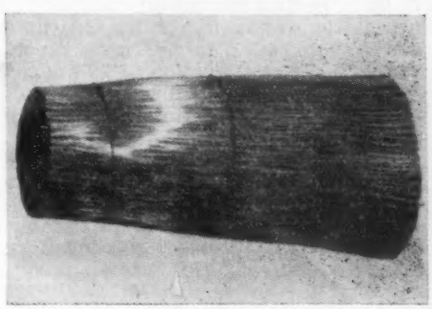


Paint brush made of tapered nylon as a substitute for bristles.

News by COUNTRIES

Argentina

Tariffs and Trade Controls

Export Controls for Silk and Rayon Products.—Export permits for articles wholly or partially manufactured with natural silk or rayon are required by decree No. 148,073, of April 20, 1943, made public April 29, 1943, by the Argentine Ministry of Agriculture. Export permits are controlled by the Committee of Exportation and of Industrial and Commercial Development and will be issued when it is considered that the needs of the local market are being satisfied at normal prices. This measure was taken as a result of studies made by the Committee and by the Textile Section of the Bureau of Supply, Industry, and Commerce.

Provisions of the decree were subsequently modified by resolution No. 43,053 of May 7, 1943, of the Ministry of Agriculture, which suspended the authorization of permits for the exportation of manufactured articles which contain rayon. The resolution also stipulated that exporters who may have made contracts for sales abroad previous to the date of the resolution were to report within 10 days the volume of their operations. Once the total was known, provision would be made for authorizing new exportations on an equitable basis after local requirements were met.

Decreases in supplies of raw materials and increases in domestic demands for silk and rayon materials as results of the war have caused great difficulty for the Argentine textile mills.

[For previous restrictions on textile or fiber exports, see FOREIGN COMMERCE WEEKLY of August 8, 1942, December 19, 1942, January 2, 1943, and March 20, 1943.]

Brazil

Transport and Communication

Important Link Added to Chain of Railways.—The Parana-Santa Catarina Railway System has added recently two new stations on its line on the Guarapuava branch, says a foreign press report. Through the construction of 25 kilometers of railway line the towns of Cerro do Leao and Inacio Martins are open for public traffic.

This important railroad forms a link in a chain of railways which extend from Rio de Janeiro to Porto Alegre. At the close of 1939, the trackage of the Parana-Santa Catarina was 2,065 kilometers, with an additional 193 kilometers of sidings. Of the entire right-of-way, 1,226 kilometers are in the State of Parana and 835 in the State of Santa Catarina; the remaining 4 kilometers lie in the State of São Paulo. The railroad is of meter gage, single track, and is steam operated.

Canada

Tariffs and Trade Controls

Canadian Consulate General Established in New York City.—The Department of External Affairs of Canada announced on June 1, 1943, the establishment of a Canadian Consulate General at 620 Fifth Ave., Rockefeller Center, New York, N. Y., says the Canadian Gazette, Ottawa, of June 5.

All consular activities pertaining to Canada, except those relating to shipping, will be conducted at the Consulate. Previously, Canadian consulate business was transacted at the British Consulate General.

Officers of Canadian-registered ships and members of the crew of any ship, who are Canadians, will continue to transact their business as hitherto at the British Consulate Shipping Office, 3 State St., New York, N. Y., where a Canadian consulate officer will be stationed, the announcement stated.

The Cover Picture

In Argentina

Argentina being much in the news in recent weeks, we have chosen for our cover picture this week a scene typical of a highly important phase of Argentine economy. The grain trade, one need hardly say, means a very great deal to the prosperity of the southern Republic, and the Government and businessmen of Argentina are constantly active in their endeavors to protect and further the interests of the grain producers.

Shown here is a grain elevator of the Ferrocarril Sud (Southern Railway) at Ingeniero White, 5 miles south of the center of the city of Bahia Blanca.

Ceylon

Wartime Commodity Controls

Cement and Rubber: Use Subjected to Government Control.—Cement and rubber have been declared controlled articles in Ceylon.

A government order published February 13, 1943, restricts the sale or distribution of cement to authorized dealers from whom it may be purchased or acquired only under a permit issued by the Controller for the acquisition of a definite quantity of a definite kind.

Under an order published March 6, 1943, the use of crude rubber in the manufacture of any article or component part thereof is subject to a permit from the Rubber Commissioner specifying the amount of rubber that may be used in each instance.

Textiles: Distribution Controlled; Prices Regulated.—Under an order published March 22, 1943, the distribution of textiles was placed under Government control in Ceylon.

Regulated prices were fixed for "utility textiles" by prescription of a maximum percentage of gross profit at each stage of distribution. The Controller of Textiles was authorized to fix prices for "commercial textiles" and for textiles other than those listed in the "utility" and "commercial" textiles groups when such action should be found necessary or expedient for maintaining essential supplies and services.

Textile dealers are required to be licensed by the Controller. Licenses so issued authorize the holder to (1) carry on business as a manufacturer, indent agent, wholesaler-in-bulk, wholesaler, retailer, hawker or commission agent, or as a dealer of any two or more of such classes; and (2) to import regulated textiles for the purposes of his business as such a dealer.

Licenses specify in each case the address of each warehouse, shop, store, or other premises at which stocks of regulated textiles may be kept by the licensee and such stocks may not be kept elsewhere. Dealers may not refuse to sell or supply in reasonable quantities stocks of any regulated textiles to any buyer. Schedules of prices in all or any two of the following languages, according to the nature of the clientele, English, Sinhalese, or Tamil, must be displayed on the premises where the dealer's stocks are maintained.

Tariffs and Trade Controls

Sodium Bisulphite: Importation and Distribution Controlled.—Under a gov-

ernment order of February 12, 1943, the importation, purchase, or acquisition by any means of any quantity of sodium bisulphite has been made subject in Ceylon to a permit issued by the Rubber Commissioner.

Holders of stocks in excess of 2 hundredweight are required to report such stocks to the Rubber Commissioner of Ceylon.

Chile

Transport and Communication

Branch Railway To Be Constructed.—Shortage of rolling stock and fuel for railways in Chile hampers normal flow of traffic; however, construction of railway lines continues.

Funds from the Central Government have been provided for the purpose of a right-of-way, 40 miles in length, for a branch railway line to connect Lanco, north of Valdiva, with Panguipulli in the lumber area.

Colombia

Economic Conditions

There was little change in Colombia's economy during the 2-month period ended April 30, 1943. Important developments included the approval of Colombia's Economic Plant, law No. 7 of 1943, and the opening of several cooperative stores in Bogota, with others projected for principal cities for the purpose of controlling prices.

In the financial field, the national deficit arising largely from decreased imports reached a new high and is expected to continue upward, as prospects for increased shipping on a long-range basis are not encouraging.

Agricultural Outlook Favorable

Crop conditions, say latest reports, are highly favorable, owing to substantial rainfall throughout the Republic. However, in certain isolated sections heavy rainfall resulted in slight injury to crops. Nearly all sections of the country report good rice and wheat crops.

The sugarcane crop will be sufficiently large to produce an amount of refined sugar equal to, or greater than, the 62,000 tons produced in 1942, and exporters are reported to be exploring the possibility of exporting sugar to the Canal Zone sometime in July. The potato crop is said to be excellent, and the diseases which afflicted the 1942 crop in certain areas do not appear to be any worse.

Production of fique and other fibers has increased somewhat, but the lack of decorticating and weaving machinery is affecting the industry. Several trial orders for certain fibers have been placed by the Board of Economic Warfare.

Colombia has an abundance of tropical fruits, but transportation to the large consuming areas presents a difficult problem. An appreciable quantity of fruit transported to Bogota, the principal market, is badly damaged and, as a result, prices for fruits in good condition have greatly increased.

Industry "Holding Own"

During the period under review industry continued at wartime levels, particularly the textile industry which now employs over 24,000 workers. Because of requirements for export to the Caribbean area, the production of cement was well maintained despite the decline in building construction.

Fermented liquor and nonalcoholic beverage markets are showing vigorous activity, and the production of cigars and cigarettes is on the increase, being influenced largely by the shortage of cigarette imports. The metal-manufacturing industry is being adversely affected by the shortage of iron and steel imports. Production of brick and tile for building purposes is being well maintained, but a decrease in the industry is expected because of the decline in building construction.

Despite import shortages, it is believed that Colombian industry generally can

Pertinent Comments on World Economy Today

[Being one of a series of excerpts from books, pamphlets, and speeches]

What of Post-War Passenger Traffic, by Air, Between the Americas?

The exact size of the peacetime market which may be open to the international air transport companies operating between the Americas is, of course, impossible to determine. However, it is possible to make some reasonable guesses as to the total number of passengers * * * that might be exchanged between the American republics under post-war conditions, assuming normal interchange of trade and a healthy world economy. By making somewhat arbitrary assumptions as to the proportion of this traffic which may be diverted to the air, it is possible to estimate roughly the probable volume of future international air traffic.

Passengers are by far the most important traffic group. They provided 83 percent of Pan American's and Pan American-Grace's nonmail revenues in 1940 and seem likely to continue the largest source of commercial income on international routes for many years to come. Statistics of existing surface passenger traffic are a valuable guide to what may be expected in the future. In 1940 steamship passenger traffic between the United States and Latin America—not taking into account travel between the other individual American republics—is estimated to have been equivalent to 338,000,000 passenger-miles of air travel. The Pan American System's traffic between the United States and Latin America (the System's intercontinental traffic being estimated at 50 percent of Pan American's and Panagra's traffic, excluding subsidiaries) was only about 10 percent of the combined steamship and air movement between the two areas. This is roughly comparable to the 11.3 percent of Pullman and air traffic carried by all of the United States domestic air lines in the same year.

Granted normal economic conditions, there is every reason to believe that annual post-war traffic between the Americas by all means of transportation will equal or exceed the 1940 volume. Thanks to the social, political, and commercial ties now being built up among the republics, not all the pleasure and business travel which went from Latin America to Europe before the war will revert to the old channels. There are also real possibilities in the promotion of pleasure travel from the United States to Central and South America. This type of travel is in its infancy; in 1940 only 1,316 United States citizens went to South America on cruises, although it was practically the only foreign area open to vacationists. Taking all factors into consideration, it seems quite probable that a post-war travel market of 500 000,000 to 600 000,000 passenger-miles per annum will be open to the trunk-line air services.

Estimates of the proportion of this market which can be diverted to the air lines must be arbitrary, but it seems possible that within a few years after the peace settlement 50 percent of the total travel between the republics, excluding third-class and tourist traffic moving at very low rates, will be going by air. Ten percent was already carried by air in 1940; 25 percent of total United States transcontinental traffic was then carried by the air lines.

With the improvements in service which are in the making, and with the forced education of the influential traveling public which is proceedng under wartime conditions, very rapid diversion from surface to air routes may be expected. Much new travel will also be created by the increased speed of post-war services.

If the 50-percent figure should be reached, this would mean—on the basis of our prior estimate of total travel—250,000,000 to 300,000,000 passenger-miles of trunk-line air travel annually, or six to seven times the 1940 volume.

(From "The Struggle for Airways in Latin America," by William A. M. Burden, Special Aviation Assistant to the Secretary of Commerce. Publisher: Council on Foreign Relations, New York City.)

be expected to continue at the present rate, as stocks of many articles of prime necessity for industry can still be obtained, but at very high prices in nearly all instances.

Construction Curtailment Continues

Construction activities in Colombia were greatly curtailed during the past year and this restriction continued throughout the period under review. Building or industrial projects for which material has been received, or for which the investor will pay extremely high prices for materials, constitute the major part of present construction. Dwelling construction, which flourished during the past several months in an effort to meet the ever-increasing demand for apartment houses and dwellings, has been curtailed somewhat by the shortage of heavy hardware and steel. This decline in housing construction caused a slight advance in rates for both low-priced and high-priced dwellings.

Highway construction slackened considerably because of the shortage of road-building equipment. However, plans were inaugurated to institute highway construction which will not require large quantities of heavy machinery.

Transportation and Communication

Colombia's transportation facilities improved somewhat with the arrival of a large quantity of truck and bus tires, some of which were being distributed in April. However, it is reported that the Government had frozen some 12,000 tires which were being held for extreme emergencies. Transport by rail was fairly well maintained during March and April, as landslides were less frequent despite heavy rainfalls. However, the railways are suffering from shortages in nearly every type of equipment.

Port conditions at Buenaventura have improved considerably, but conditions on the Magdalena River remain unchanged, owing to the shortage of imports into Barranquilla and Cartagena.

Telephone, telegraph, and radio communications throughout Colombia have been impaired by the nonarrival of sufficient material for bare maintenance purposes. It is reported that a large communications construction company, which is building part of an important network of national and departmental long-distance telephone circuits, has had to remove copper wire from old telephone systems so as to construct new ones. An important American communications company operating both a telephone and a radio-telephone system reports that several of its radio-telephone channels may have to be closed because of an acute shortage of certain radio tubes. In fact, it is reported that the company has exhausted all of its reserve supply of radio tubes and has even borrowed tubes from the Colombian Government to maintain certain of its circuits.

Wholesale and Retail Stocks

With the exception of a few isolated cases, wholesale and retail stocks are apparently ample. All retail stores in principal trade areas apparently have a fair stock of consumer goods, such as medicines, pharmaceutical preparations, canned foods, cosmetics, toilet articles, small tools, hardware, and the like. Many stores are also offering locally made novelties, shoes, dresses, shirts, and hose, in addition to similar imported items.

Prices of certain retail articles have risen rapidly in many instances, although the opening of cooperative retail establishments has tended to force the general level of retail prices slightly downward.

Labor

Colombia's unemployment problem has grown no worse except in Barranquilla, where shortages of imports have placed many workers on part-time employment. Certain mechanics and truck drivers have returned to trucking since the arrival of tires, and others have found work in the interior gathering rubber, cinchona bark, and other strategic materials. It is not believed that the development of these strategic materials will solve the unemployment problem in its entirety, although it is possible that the activities of the Rubber Development Corporation and the Board of Economic Warfare in the Llanos will go a long way toward easing many of Colombia's labor problems.

Important Legislation

Probably the most important piece of legislation that has been passed in Colombia during 1943 was law No. 7, passed by the Special Session of the Colombian Congress on February 28 and approved by the President on March 2, 1943. The main purpose of this law is price and exchange control. A mission has been appointed to study and decide on economic reorganization, having as one of its important duties the study and possibly the reorganization of public offices and administration generally. However, the major function is to control prices and curb undue speculation covering essential commodities, particularly those of prime necessity, such as foodstuffs, drugs, and goods or ordinary consumption among the poorer classes.

Credit and Collections

Credit has been easy and collections have been good. Bank portfolios have naturally been reduced and their surpluses are seeking means of investment. However, banking interests have enjoyed a fair return and there were no reports of bank failures throughout the Republic during the first 4 months of the year.

Successful Refugee Agricultural Colony in Bolivia

The Jewish refugee colony established at Buen Tierra, about 60 miles to the east of La Paz, Bolivia, has completed its third year and is in a very prosperous condition, reports the newspaper Ultima Hora of La Paz. The colony consists of 150 people. It is located in that section of the mountain region known as the Yungas and is at an elevation of 8,000 feet, where the climate is like spring. La Paz is at an elevation of 12,000 feet and has a much more rigorous climate.

Of the 1,300 acres of rolling land, some 400 acres are now cleared. Among the crops under cultivation are: Coffee, oranges, bananas, pineapples, grapefruit, avocados, sunflowers, sorghum, and garden vegetables. There is a central chicken farm with 5,000 chickens, and many hives of bees—as well as a sawmill. Some 70 houses have been built on the farm from lumber supplied by the mill. Each family has its own house, its own chickens and ducks, and 22 acres of lands for garden and private cultivation.

Coffee is the principal money crop, and 17,000 pounds were sold to La Paz in the past year. Large amounts of garden produce were also shipped to La Paz, as well as 1,500 bunches of bananas and 125,000 grapefruit and oranges. In addition, large amounts of fruits were used to make marmalade and fruit juices on the farm. The superior quality of the fruits, vegetables, chickens, and eggs produced by the colony makes them in great demand in La Paz, and they command the best prices.

In addition to the labor of the colonists themselves, many day laborers, from the surrounding villages, are employed. As they are given the highest local wages, free medical attention, and good food, there is no scarcity of labor but usually a waiting list of those seeking employment.

Costa Rica

Economic Conditions

The outstanding development in Costa Rica's economy in April was the definite step taken by the new Minister of Finance to rehabilitate public finances. The Minister submitted to Congress a definite plan of procedure, which provides for the enactment of legislation repealing existing laws that permit expenditures in excess of budget estimates, and restricting expenditures to the estimates. This would represent a current decrease in expenditures of 10,000,000 colones ($1,782,500 United States currency), to a total of 44,454,839 colones ($7,924,113). Under the plan, the greater part of the reduction would be effected in public works, principally the highway program, for which a special board with its own budget would be set up.

To offset the decrease in customs receipts, the country's principal source of revenue, the Treasury would be asked to issue warrants for the amount by which actual collections fall below normal receipts, and a contract has already been

concluded with the banks which have agreed to advance up to a total of 7,200,000 colones ($1,283,400) against such securities, for the year ending March 31, 1944. This plan is based on the theory that there is a backlog of orders pending in the United States which will be translated into imports, with a corresponding rise in customs receipts, as soon as shipping facilities permit.

Funds to meet the floating debt of 7,500,000 colones would be obtained by asking for authority to issue mortgage certificates against expropriated enemy properties. These properties, estimated to be worth about 15,000,000 colones, ($2,566,800), would be pledged as security for loans, pending their sale. The program has been very favorably received in the country.

Trade was brisk during April, although business houses were hampered by the difficulty of maintaining stocks in the face of failure to receive merchandise ordered from the United States, because of the scarcity of shipping.

Costa Rica has no unemployment; salaries and wages, however, have not kept pace with the rise in living costs, and there is an evident reluctance to pay the present high prices for goods.

Agriculture

Agriculture is, in general, in a favorable condition despite shortages of farm labor. A notable increase took place in coffee exports to the United States, which in April amounted to 59,721 bags (of 60 kilograms each), valued at $1,190,680, compared with 25,933 bags, valued at $541,559, in the preceding month and 20,985 bags in April 1942.

The cocoa trade is experiencing a boom—1,684,639 kilograms, valued at $336,937, being exported during the first quarter of 1943, in comparison with 418,919 kilograms, valued at $63,137, exported during the first quarter of 1942. A new and profitable market for cocoa has been developed in Mexico, which took 61 percent of Costa Rica's cocoa exports for the first quarter of 1943.

The banana plantations on the west coast are reported to be doing well, and 286,698 stems were shipped in April 1943 to the United States from the west coast ports of Quepos and Golfito, compared with 316,221 stems in March 1943 and 95,231 stems in April 1942.

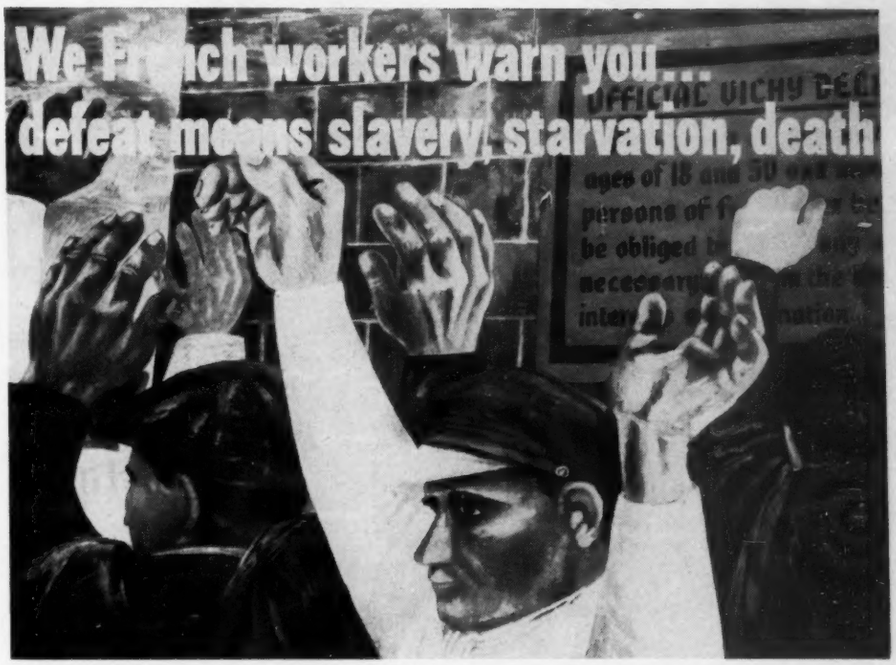
The Rubber Development Corporation increased its shipments of wild rubber in April, the amount being 155,281 pounds, compared with 86,005 pounds in March and 32,771 pounds in February. The Compania Bananera de Costa Rica, on April 9, 1943, signed a contract with the Costa Rican Government, whereby it agrees to undertake the cultivation of 1,000 acres of rubber on the west coast within a period of 8 years.

Work on the abaca plantations progressed satisfactorily in April, and there were increased shipments of vegetables and fruits to the Canal Zone by the Institute of Inter-American Affairs.

Foreign Trade

Total imports in February 1943 declined considerably in volume but increased in value, compared with those of February 1942—a commentary on rising prices. Total exports, however, increased in volume but declined slightly in value, because February 1943 exports consisted to a much greater extent of bananas—a comparatively low-priced product—than did the exports of a year ago.

Imports from the United States fell off, both in volume and value, from those of February 1942, but value declines were not in relative proportion to volume. A slight decrease also occurred in both the volume and value of Costa Rica's exports to the United States—attributed to shipping difficulties. The United States is still Costa Rica's principal customer, taking 86 percent of the quantity and 72 percent of the value of all exports in April.



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Employment and Labor

The various agricultural projects and the Inter-American Highway have created a demand for labor almost beyond the country's ability to supply. A new and elaborate labor code was presented by the Government to Congress on April 13, 1943. It specified the laborer's rights in detail and is vigorously opposed by conservative business interests. The bill, however, has labor's strong support.

Cost of Living and Rationing

Further and more serious increases in the cost of living occurred during April. It is only necessary to note the rise in the cost of living index from 175.32 for March to 183.89 for April. Doubts are being expressed as to whether the price ceilings fixed by the General Supply Board will hold. The Board distributed during April $5,347 worth of clothing among the most destitute laborers in the interior of the country and along the west coast.

Despite continued shortages, owners of private automobiles will again receive 3 gallons of gasoline in May, as was done in March. During April, private cars, with the exception of those owned by doctors and other persons engaged in essential activities, received no gasoline at all, so that the various bus companies might have an adequate supply to relieve transportation difficulties.

Egypt

Wartime Commodity Controls

Maximum Prices Fixed for Restaurant Meals.—The maximum price for meals served by hotels, pensions, restaurants, and similar establishments in Egypt must not exceed P. T. 25 (approximately 1 United States dollar) for lunch and P. T. 30 for dinner, effective April 27, 1943, according to an order issued by the Egyptian Ministry of Commerce and Industry on April 18 and published in the Journal Officiel of April 27. A customer may not be served more than one dish of meat, fish, chicken, rabbit, or poultry, or of any other one food. No meals may be served à la carte.

Tariffs and Trade Controls

Marking of Cotton Piece Goods and Yarns Required.—The exact measurement of each length of cotton piece goods sold in Egypt must be marked thereon in Arabic, in letters at least 6 centimeters high, according to a decree issued by the Egyptian Ministry of Commerce and Industry on April 7, 1943, and published in the Journal Officiel of the same date. In addition, the length must bear at each end a seal of the factory at least 6 centimeters high. If the length is composed

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Peruvian Officer Sees Post-War Aviation Bringing America Closer Together

Development of commercial airlines beyond all present expectations will follow the war and will be the means of bringing North and South America into closer trade and social relationships. This was the recent prediction of Lt. Comdr. Jorge Vigil, engineering officer of the Peruvian Air Corps, who was in Panama with a mission of aircraft technicians invited for special training by Lt. Gen. George H. Brett, commanding the U. S. Caribbean Defense Command.

Commander Vigil points out that the airplane is the only means of overcoming South America's numerous natural barriers which make overland transportation difficult in the extreme.

"My own country of Peru," he said, "has the Andes mountain ranges running through it and thus forming a barrier between its coastal regions and the jungle territories to the east. Thus the airplane is not only the best means of communication between the cities and the mining and agricultural centers, it is *indispensable.*

"Everyone is very much air-minded in Peru," continued the Commander. "Our Air Corps not only trains pilots for military service but also we carry out air-photography missions on a large scale for the Government, which is very much interested in the development of the country. It was recently possible, by means of aerial photography, to complete within 2 months an important project which, by ordinary land methods of survey, would have taken more than 20 years."

Commander Vigil, himself a veteran flier, sums up the aims of the Peruvians thus:

"The more pilots we can train, the better we shall be able to cope with the great demands certain to occur in the future. There is no limit to their employment on the air lines which will have to be developed. Right now, the internal air lines of the country are all being operated by pilots who have been 'borrowed' from the Peruvian Air Corps. There is no better way of developing our country and increasing our trade and social relations with our fellow South Americans and with our neighbors from the land of 'Uncle Sam' than by having *plenty of air-line transportation.*"

of two or more sections, the number of sections must be shown on the length in letters at least 6 centimeters high. Each section must bear one of the seals of the factory at the beginning and one at the end, in addition to the seals placed at the beginning and end of the length.

Cotton yarns must bear a clear indication of their measurement or their weight, in Arabic. The measurement should be given in meters or yards and their fractions, and the weight should be shown in kilograms or rotolis (0.99 pound) and their fractions or multiples.

The new regulations will become effective July 28, 1943, except for goods imported from abroad which leave the port of exportation before July 27, 1943.

Eire

Transport and Communication

Improved Transportation Service Now in Effect.—Combined air-rail bookings went into effect in April between Great Britain and Eire as a result of negotiations between Aer Lingus Teoranta, West Coast Air Services, Ltd., and the British main-line railway companies, reports the British press.

Additional facilities are the interchangeability of the air, rail, and steamer tickets, and the program to accept railway bulk travel vouchers for travel via the existing air lines between the two countries.

French Cameroun

Tariffs and Trade Controls

Rubber: Purchase and Exportation During 1942–43 Season Regulated.—Regulations for the purchase and exportation of plantation and native rubber during the 1942–43 season in the French Cameroun in connection with the recent agreement between the French National Committee and the British Government, have been fixed by an order of December 3, 1942, published in the Journal Officiel of French Cameroun on December 15 and effective from January 1, 1943.

[See FOREIGN COMMERCE WEEKLY of April 17, 1943, for announcement of the above agreement.]

French Equatorial Africa

Tariffs and Trade Controls

Cotton, Cottonseed, and Plants: Importation Restricted to Prevent Introduction of "Wilt."—To protect cotton culture against introduction of the "wilt" disease, the importation, placing in warehouse and transit in French Equatorial Africa of cotton plants (green or dry), raw cotton (ginned or not), and of cottonseed have been prohibited, except by the Service of Cotton Selection, by order No. 46 of January 9, 1943, published in the Journal Officiel of French Equatorial Africa on February 1.

Earth or compost, as well as any sack, case, or packing which has served to transport such products are subject to the same prohibition.

Cottonseed imported by the Service of Cotton Selection may enter only through the port of Pointe-Noire and the river port of Brazzaville, and must be sealed in sacks and accompanied by a certificate of origin visaed by the Phytopathologic Service, attesting that the seeds have been disinfected at the time of departure. Such certificates are to be countersigned by the consular agent of the country of origin in French Equatorial Africa.

French North Africa

Tariffs and Trade Controls

Vegetable and Fodder Seeds: Special Import Tax Established in Algeria.—A special tax was established on vegetable and fodder seeds imported into Algeria, for the benefit of the Control Committee of Production, Distribution, and Sale of Seeds and Plants in Algeria, by an order of October 10, 1942, published in the Algerian Journal Officiel of November 13–17, and effective from November 17.

This tax was fixed at 2.50 percent ad valorem for seeds in bulk, and at 4 percent ad valorem for seeds in packets.

Wild-Animal Skins: Export Tax Fixed in Algeria.—An export tax of 75 francs each was fixed on wild-animal skins (such as fox, marten, and hare) exported from Algeria, effective from November 17, 1942, by an order of November 6, published in the Journal Officiel of Algeria of November 13–17, 1942.

The proceeds from this tax are to be turned over to the Algerian Price-Equalization Office.

Dried Legumes: Production Premiums Established in Algeria.—To encourage the production of dried legumes in Algeria during the crop-year 1942–43, premiums to be paid for dried beans, peas, and lentils produced under contract were established in Algeria by an order of November 3, 1942, published in the Journal Officiel of Algeria on November 13–17.

The amounts of these premiums payable to producers were fixed at 150 francs for dried beans, 75 francs for dried peas, and 100 francs for dried lentils, all per 100 kilograms.

A commission premium of 10 francs per 100 kilograms was also fixed, payable to wholesale merchants or brokers authorized to make contracts with producers.

Alcoholic Beverages: Special Consumption Tax Established in Morocco.—A special consumption tax on specified imported and domestic alcoholic beverages has been established in the French Zone of Morocco, effective from April 1, 1943, by a vizierial order of March 23, published in the Bulletin Officiel of March 26, 1943.

This tax was fixed at 4 francs per liter on liqueur wines, mistelas, and aperitives with a base of wine or alcohol; and at 8 francs per liter on brandy and other spirits, excluding perfumery products or medicaments.

[This tax apparently is to be collected in addition to the regular consumption tax of 2,000 francs per hectoliter of pure alcohol on alcohols and wines.]

French West Indies

Tariffs and Trade Controls

Imports of Foodstuffs and Other Items: Temporary Exemption from Import Duties Canceled on Certain Items and Continued on Others in Guadeloupe.—The temporary exemption from import duties accorded foodstuffs and other specified items imported into Guadeloupe has been suspended for most of the items affected, according to a Government order published in the Guadeloupe Journal Officiel of January 16, 1943. Imports into Guadeloupe are now subject to the regularly applicable rates of import duty specified in the French or Guadeloupe customs tariff schedules, with the exception of the following food items which may continue to enter Guadeloupe free of duty: Oxen, cows, bulls, steers, bullocks, heifers, calves; preserved meat, other than pork, in tins or airtight containers; tallow, lard, animal oils, other than fish oils, not elsewhere specified; milk, condensed, whole or skimmed, unsweetened; milk, condensed, whole or skimmed, sweetened; dried, salted, and smoked fish (cod and herrings); fish oils; wheat, spelt, and meslin; maize; exotic starchy products, feculae; crude or desiccated manioc and the like, sago, and similar products; rice; dried vegetables (haricot beans, lentils, and peas in grain).

Other items previously temporarily accorded duty-free entry or import-duty reductions by virtue of their being transferred to the Guadeloupe tariff from the French tariff will now be classified for import duty purposes under the French tariff and subject to the regularly applicable rates of duty applying under that tariff.

Import Tax Imposed on Certain Meats, Flour, and Rice in Guadeloupe.—An import tax of from 5 to 10 percent has been imposed on imports for consumption in Guadeloupe of meats, flour, and fish, according to orders Nos. 67 and 68, published in the Journal Officiel of Guadeloupe, January 16, 1943. The ad valorem tax on the items affected is as follows: Salted or pickled meats of pork and beef, 10 percent; flour of wheat, spelt, and meslin, 10 percent; rice, 5 percent.

Gambia

Exchange and Finance

Record Collection of Customs Duties.—Customs duties collected in the Gambia for the calendar year 1942 amounted to £224,000, an increase of 66 percent over receipts for the preceding year, says the Gambia Government Gazette. Import-duty collections from the application of ad valorem and specific rates rose 49 percent and 59 percent, respectively, whereas revenue from export duties on peanuts declined by 60 percent.

Import-duty collections on tobacco, kola nuts, spirits, and wines showed the greatest increases.

Both preferential and general rates of duty on luxury items, such as tobacco, wines, and spirits, were raised in February 1941.

Gold Coast

Transport and Communication

Railway Earnings Show Increase.—The Gold Coast Railway returns showed increased earnings in the month of January amounting to £150,383, compared with £132,486 for the corresponding month in 1942.

The progressive earnings for the period March to January 31, 1943, were £1,047,619, against £860,285 for the corresponding period of the preceding financial year.

Haiti

Economic Conditions

Trade in April 1943 fell to the lowest point recorded since October 1942, the first month of the present fiscal year, and showed a substantial import-trade balance as compared with an export balance in April 1942. The Decentralization Plan, inaugurated on April 15 to establish control of imports of articles from the United States, was operating favorably at the end of April. Since that time, goods from Brazil and from all other American Republics have been subject to the minimum tariff. Travel limitations and shortage of supplies from the United States have tended to lend importance to the reduction of tariff rates on goods from Brazil, which is regarded as a promising new possible source of supply.

Foreign Trade

As compared with April 1942, trade statistics show increased imports for April 1943, whereas export values show a decline. Both in quantity and value, April 1943 coffee exports were below those of April 1942. Banana exports remained depressed and lower in value and quantity than a year ago. Sugar exports fell far short of those of April 1942. At the end of April 1943, sisal exports for the 1942–43 fiscal year stood well ahead of any previous period, and cocoa exports were also favorable both as to quantity and value. All 1943 exports of sisal and cocoa went to the United States. No cotton was exported in April 1943.

India

Economic Conditions

Food Rationing

The Government of India has announced a decision to ration grains and grain products in all cities of over 100,000 population. Rice and wheat flour (atta), India's basic foods, will be chiefly affected.

Administration of rationing will be left to individual Provincial Governments, subject to the over-all direction of the Central Government, so as to obtain uniformity in conditions of distribution, retail price, and basic ration.

Food rationing began in Bombay on May 2 and will be introduced in other cities as rapidly as circumstances permit. Rationing presents special difficulties in India because of the diversity of languages (instructions in some instances had to be printed in half a dozen languages), the many dietary regimes representing all the food prejudices of the various castes and communal groups, and the large floating population in the larger cities, including migrant workers from up-country villages.

Imports of wheat from Australia and Government purchases in surplus areas are alleviating shortages of this commodity.

According to a Government announcement of April 3, the "Grow More Food" campaign has thus far resulted in an increase of 8,000,000 acres in the area planted to food grains. It is hoped that an additional 2,000,000 acres may be added to this increase.

Increased Domestic Demand for Oilseeds

Oilseeds have played an increasingly important part in India's economic life during recent months, as evidenced by a greatly increased internal demand, particularly for peanuts. This demand has more than offset the loss of pre-war export markets. In 1938 oilseeds represented about 12 percent of India's total exports; in 1942 they were about 5 percent. The greater domestic demand arises from wider use for cooking oils and fats to replace previously imported vegetable oils; use in industry to manufacture locally articles that were formerly imported; as substitutes for mineral oils for fuel, particularly peanut oil for Diesel oil; and the use of oilcake as fertilizer to substitute for imported products.

Renewal of Grants for Cottage and Small-Scale Industries

In line with a policy of encouragement to small-scale industries which form such an important part in the industrial structure of India and which have been contributing so largely to the war effort, grants for the development of the handloom, sericultural, and small-scale and cottage woolen industries were renewed by the Finance Committee for the year 1943–44, in amounts of 500,000 rupees for the first and 100,000 rupees each for the second and third groups.

Grants in aid to the handloom weaving industry were initiated in 1934, to offset the higher prices to the handloom weaver of his raw material as a result of a protective duty on cotton yarns imposed by the Indian Tariff (Textile Protection) Amendment Act of 1934. The grants have been extended since as the protective duty has been renewed. The grant to the sericultural industry dates from 1935–36. It is utilized principally for the increased production of disease-free seed and for research. It has likewise been extended as tariff protection to the sericultural industry. Production of silk has been greatly increased.

The grant to the Indian woolen industry (cottage and small-scale) was given on recommendation of the Tariff Board which concluded that technical advice and assistance in marketing would be more beneficial than tariff protection. The Finance Committee considers that the industry had made definite progress and had given appreciable aid to war production and accordingly has extended the grant for a further period.

Standard Cloth for India

A Standard Cloth Commissioner appointed by the Central Government assumed his duties at Bombay in February. A Cotton Textile Advisory Panel, to advise the Government concerning the manufacture, transport, distribution, and sale of standard cloth for the low-income groups, and the fixing of prices for such cloth, was appointed.

The manufacture of standard cloth by individual mills will be arranged on the advice of this Panel, and the Industry has agreed to manufacture cloth as required, not exceeding 60 percent of its total productive capacity, including the orders placed by the Supply Department for war requirements. As a result, 1,500,000,000 yards of standard cloth in a year is expected. It is anticipated that the price will be considerably below current market rates. The Provincial Governments are being urged to cooperate in making necessary arrangements to insure the cloth reaching the consumer at the scheduled prices, and it is suggested that Provincial Advisory Committees, composed of representatives of commercial interests and consumers, be established to advise on details of plans of distribution.

Paper Control

The Government is exercising increasing control over domestic trade in all types of paper. Effective March 17, 1943, newspapers have been required to report all acquisitions of newsprint by import or from domestic sources within 3 days of import or acquisition, and to use, sell, or otherwise dispose of such newsprint only under a permit from the Chief Controller of Imports.

The number of pages per issue is subject to control. Only one edition is allowed daily, and an increase of advertising rates has been made obligatory.

Provincial Budgets for 1943–44 Indicate Surpluses

The basic 1943–44 budget figures for all the Provinces of British India have been published. All of the Provinces show budget surpluses except Bengal, Assam, and Orissa, of Northeast India; Sind and the Northwestern Frontier Province of Western India, which are in deficit.

Cotton Imports

A press release issued by the Indian Commerce Department on March 24, stated that, because of the continued heavy demands for and short supplies of Egyptian, Sudanese, and East African cotton, the Government of India will control buying in consultation with other consuming countries. The Deputy Chief Controller of Imports at Bombay will issue the necessary import licenses. Contracts made prior to March 24 will be scrutinized, and unlicensed imports will be subject to confiscation after that date.

It was announced at New Delhi on April 14, that the Government had decided to create a new Department of Industries and Civil Supplies. This Department will be concerned with the problem of industrial transition in India to post-war conditions.

Northern Rhodesia

Economic Conditions

Shortage of Supplies

Although business conditions remain fairly steady in Northern Rhodesia, the shortage of supplies, particularly of imports, has compelled traders to employ voluntary rationing schemes. Coupon rationing has not been introduced, because it is considered too complicated for native use.

The Government has attempted to maintain existing commercial channels of supply, but bulk importing on Government account has increased. The Supplies Department is preparing a schedule of import requirements for 1943. Approval of the exporting countries will then be sought for these essential supplies, a large portion of which will probably be obtained in Southern Rhodesia and in the Union of South Africa.

The cost of living in Northern Rhodesia rose less than 5 percent from December 1941 to December 1942, and Government officials hope to prevent any undue increase.

Mineral Production

Output of base metals has been maintained at a high level. The development of the copper mines has been so extended in recent years that the Northern Rhodesian annual production rivals that of Canada. A new sulphide plant is to be built. Other important minerals

Discarded Bomber Tires Serve As Buoys

Discarded tires from Stirling and Halifax bombers are now being used as buoys to mark navigation channels at the marine terminal of the British Overseas Airways Corporation, reports the British press. The tires are filled with cork and the space between the rims is sealed with two layers of double-decking. Appropriately colored tops are fitted to indicate starboard or port or middle grounds.

Scarcity of materials and shortage of labor to make new equipment had made the problem of obtaining suitable markers difficult until the use of discarded bomber tires was adopted.

New Nazi Munitions Plant in Westphalia

Workmen have been deported from occupied Belgium to Bielefeld, in Westphalia, Germany, where the Germans are reportedly completing the construction of munition works covering an area of about 50 acres.

These factories, in which a great many women deported from Russia are said to be working, are surrounded by a runway for the landing of airplanes, which come to the works, receive loads of munitions, and immediately take off again.

The workers assembled at the Bielefeld factory from various occupied countries are employed on the construction of new concrete workshops. They live in a neighboring village, and have to work 10 to 12 hours a day. The Germans give them a daily food ration of 350 grams (12 ounces) of bread (125 grams more than in occupied Belgium), and, twice a day, bowls of soup made from cabbage and turnips. Once a week the soup is replaced by potatoes.

Foreign workers have to wear a special badge. If they fail to do so they are fined 20 marks, payable on detection.

Relations between the deportees and the local population are by no means cordial, but old German workers are sometimes heard to confess that they "have no use for the Hitlerite régime."

being produced are cobalt, manganese, vanadium, zinc, coal, gold, and silver.

Agriculture and Livestock

Although the pre-war corn output was reported to have averaged around 300,000 bags (of 200 pounds) annually, production fell because of the war, and importation became necessary owing to a succession of bad seasons and declining acreage resulting from competition of dairy produce and wheat. The 1941–42 crop amounted to only 185,000 bags, of which 145,000 were supplied by European farmers and the remainder by native growers. This shortage, which became serious toward the end of 1942 was accentuated because Kenya was unable to supply the amount originally expected. Larger acreage was planted to corn in Northern Rhodesia this season.

The wheat crop of 1942 was estimated at 12,000 bags, compared with estimates of from 18,000 to 20,000 for 1941. Tobacco, the only export crop, was well above average and about 2⅓ million pounds were auctioned at good prices. After the Union quota was filled, most of the tobacco crop was sold in England.

The condition of livestock, which had been adversely affected by the drought showed improvement around the first of this year, following good general rains. Slaughter stock has been in demand at good prices for several months.

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for Your Products
Tomorrow

Exchange and Finance

Surplus in Government Accounts for 1942.—A revenue surplus of more than £1,000,000 was expected for 1942, according to an announcement early in 1943 by the Financial Secretary of the Colony who stated that half of this was to be loaned to the Imperial Government, free of interest. Revised estimates placed revenue at £2,909,000, and expenditure at £1,903,000.

Revenue was expected to reach a maximum for 1942, and to decline thereafter as trade restrictions gradually caused a reduction in collections from customs duties and other taxes. No new tax was proposed to the Legislature for the year 1943.

Revenue for 1943 was expected to be £2,635,000; expenditure, £2,390,000; and surplus, £245,000. Among the larger provisions for expenditure in the new appropriation, with corresponding amounts for 1942 in parentheses, are those for public works, £477,000 (£451,000); public-debt charges, £176,000 (£178,000); military, £137,000 (£114,000); and extraordinary war services, £94,000 (£59,000).

The Legislature approved £208,000 to finance the purchase of essential supplies through government account. A government subsidy of £67,000 is included to permit fixing of corn and corn-meal prices and to lower the cost of importation.

Wartime Commodity Controls

Import Requirements for Specified Products Must Be Reported.—By order of the Director of Civil Supplies of Northern Rhodesia, dealers in certain specified commodities are required to submit returns of stock on hand as of December 31, 1942, and estimates of 1943 and 1944 requirements, together with sources of supply, according to the Northern Rhodesia Gazette of February 12, 1943. Dealers supplying mining companies must indicate quantities required by each company. Government requirements are to be submitted by the Controller of Stores and Transport. Items included in the order are mechanical refrigerators, flashlights and lamps, builders' hardware, metal screening, scales, electrodes, typewriters, and sheet glass.

Imports of Radio Equipment Controlled.—Importers of radio equipment must submit information regarding orders for radios and parts to be purchased from the United States, says the Northern Rhodesia Gazette of February 19, 1943. Required information includes number of sets already sold and now in use, present stocks, 1941 imports, and reasons for new orders.

Orders to be placed in the United States are to be consolidated and purchased on Government account.

Seychelles Islands

Tariffs and Trade Controls

Import Duties Increased on Alcoholic Beverages and Tobacco.—According to amendments published in the Seychelles Government Gazette for November 23 and December 12, 1942, there has been an upward revision of the import duties on beer, spirits, wines, and tobacco. Both the British preferential and the general tariff rates are affected by the changes.

Sweden

Transport and Communication

Privately Owned Railway Reports Profits.—The largest privately owned railway system in Sweden—the Bergslagernas Jarvagar—has announced a net profit for 1942 of 2,360,000 crowns, compared with 2,320,000 crowns for 1941, reports the foreign press.

Syria and Lebanon

Tariffs and Trade Controls

Kerosene, Gasoline, Mazout: Import Duties Increased.—Import duties on kerosene, gasoline, and mazout have been increased in Syria and Lebanon, effective from February 17, 1943, by order No. 83/FC of February 17, published in the Bulletin Officiel of February 28.

The new rates of the normal tariff are as follows (former rates in parentheses):

On kerosene, in francs per net kilogram: Petroleum distilled at 125°—In barrels, cans, or drums, 7.50 (2.40); in bulk, 6 (2.04). Petroleum distilled at 150°—In barrels, cans, or drums, 8 (2.52); in bulk, 7 (2.16).

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Paraguay's *Bilingual* Character

Paraguay, whose soldier president, General Higinio Morinigo, arrived in Washington several days ago, has the distinction of being the only completely bilingual nation on the American continent, and of the few such nations in the world.

Other countries have destroyed their native cultures or, at best, given them limited recognition. But Paraguay has made the language and literature of the Guarani Indians, who inhabited the country when the Spaniards came, a part of the national language and literature.

Guarani is still a rich, living tongue and ranks second to Spanish in popularity. It was a highly developed language when the conquistadores penetrated into the country in the sixteenth century, and its classical forms and purity appealed to them.

Guarani plays such an important part in the national life of Paraguay that it is used for social, business, and even educational purposes. Spanish is the official language of the South American republic, but Guarani is constantly heard in the legislative halls of the country.

The origin of the Guarani Indians is unknown. One tradition has it that two brothers, Guarani and Tupi, quarreled over their lands in Brazil. Guarani led his followers southward through the jungle to present-day Paraguay, and there they settled and flourished.

The Guarani long since have been assimilated by the Spanish and other European groups who colonized the country, but their language is still preserved in the music, literature, and everyday discourse of Paraguay.

On gasoline, in francs per net kilogram: In barrels, cans, or drums 8 (2.30); in bulk, 6 (1.80).

On mazout, in francs per 100 net kilograms: Crude, heavy fuel oil, 100 (free); crude Diesel oil, 150 (free); and distilled, 200 (free).

(Imports from the United States are subject to the normal tariff.)

Sheep, Lambs, Goats, and Kids: Import Duties Increased.—Import duties on live sheep, lambs, goats, and kids were increased in Syria and Lebanon by order No. 88/FC of February 22, 1943, published in the Bulletin Officiel of February 28.

The new rates of the normal tariff are as follows, in francs per head (former rates in parentheses):

Lambs, 50 (23); rams, sheep, ewes, 150 (69); kids, 50 (28.48), and goats, 150 (76.18)

(Normal rates apply to United States.)

Pharmaceutical Office Established.—A Pharmaceutical Office for Syria and Lebanon has been established by order No. 56/FC of February 1, 1943, published in the Bulletin Officiel of February 15 and effective from February 16.

This office is to organize the supplying of the people of Syria and Lebanon with medicines, specialties, pharmaceutical drugs, serums; bandages, surgical, and laboratory instruments and equipment, X-ray equipment; condensed and powdered milk; and foods for infants and invalids. It is also to distribute these products, to make sure of and to control their allotment in Syria and Lebanon and to fix sales prices which must be shown on labels.

The importation, exportation, and transportation to the interior of such products have been made subject to permit from the Pharmaceutical Office. Merchants trading in such products must also obtain permits from the Office for each purchase, for which a fee of 1 percent ad valorem is charged.

[See FOREIGN COMMERCE WEEKLY of January 31 and April 4, 1942, for announcements of previous pharmaceutical regulations.]

Tanganyika

Wartime Commodity Controls

Timber Controller Appointed.—In accordance with the provisions of the Defense (Control of Timber) Regulations, 1943, published in the Tanganyika Gazette, April 9, 1943, the Governor of Tanganyika appointed a Timber Controller to allocate orders among producers for the supply of timber. The Controller may require producers to execute orders subject to stated terms and conditions. New regulations prohibit the export and sale of timber except by permit and also require every timber producer to register with the controller and to make monthly returns of his operations.

Union of South Africa

Economic Conditions

DIAMOND AGREEMENT REACHED

An agreement between the Government of the Union of South Africa and the African diamond interests has recently been announced. It will, states the Minister of Mines, assure the supply of diamonds to Allied war workshops throughout the world. This agreement went into effect on January 1, 1943, and will remain in operation until the cessation of hostilities.

By its terms, if the Diamond Trading Co. should fail to supply cutters with the necessary diamonds, the Minister of Mines may require the Producers' Association which, in 1934, established the Diamond Trading Co. as a selling agency, to buy additional stones from Government stocks. Furthermore, the delivery and sale of industrial diamonds will not be governed by quota. The Diamond Trading Co. agrees to purchase through the Producers' Association all industrial diamonds held by members at a minimum price, and is also free to buy at will from outside producers. Also in accordance with the agreement, the Producers' Association will establish a line of demarcation between gem and industrial diamonds, to be varied from time to time to meet market requirements. New quotas for the delivery and sale of gem diamonds have been tentatively fixed as follows: Union Government 15.5 percent, De Beers Consolidated Mines 47 percent, Consolidated Diamonds of South-West Africa 17.5 percent, Sierra Leone Selection Trust 10 percent, and Angola Diamond Co. 10 percent.

The agreement also covers the buying of diamonds from alluvial diggings or small mines. These, the Association may purchase and when the rate of production exceeds £100,000 a month, the amount bought will be limited to the volume deemed necessary by the Diamond Trading Co. or the South African Government to maintain world prices.

The presentation of this agreement to the Union Parliament has had a very bullish effect on the diamond share market. More than 250,000 shares of Consolidated South-Wests have changed hands, and thousands of De Beers as well, with prices higher than the best pre-war year, which was 1937.

Since the German occupation of Belgium and the Netherlands, formerly the leading centers of the diamond cutting industry, efforts have been made to expand this industry in the Union of South Africa. In 1940, there were 280 cutters employed in the Union. In March 1943, it was reported that this number had increased to 390, including 74 apprentices. The Government has proposed that the number of apprentices be increased to 250. At present, the number allowed by the Apprenticeship Act of 1932 is 75, one apprentice to four skilled workmen. The lack of skilled diamond cutters is said to have resulted in greatly increased pay to those engaged in this work.

Uruguay

Economic Conditions

With each succeeding month of plentiful rainfall the pastoral industries upon which the basic economy of Uruguay depends are recovering from the damage caused by the disastrous drought of the past summer. A potentially greater peril now is the gradual inflation of the price level resulting from diminishing supplies and an increasing demand for consumer goods, the drought itself having adversely affected the supply side of the equation insofar as the products of the land are concerned.

LIVESTOCK AND AGRICULTURE

Cattle receipts during the month of April were 110,048 head, compared with 120,647 in March. The arrivals for the first 3 weeks of May were 102,424. April prices for cattle continued firm. Sheep receipts for April were 54,659 head, compared with 87,530 for March.

The supply of meat for the local market continued restricted, and it appears that the effects of the summer's drought will be felt by consumers in Uruguay for many months to come.

There was little agricultural activity in May. The harvest of the rice crop was better than expected in quality, but less in quantity because of decreased acreage. The summer potato crop was also reduced because planting was below normal. A considerable part of the local crop will have to be used for seed for the next planting, and potatoes were being brought in from Argentina. The corn crop was, as predicted, a complete loss. Renewed activity in agriculture was expected in June, when the preparation of the soil for the winter crops begins.

Manufacturing

In an effort to satisfy the extraordinary demand from abroad, particularly from South Africa, the woolen yarn and textile mills continued operations at full capacity. Inasmuch as the demand for domestic cotton textiles continued small and the problem of unemployment in the mills was becoming serious, a new effort was made to develop an export demand, and an offer from South Africa at less than present internal prices was accepted, to keep the mills running. A shortage of mercerized cotton yarn and rayon was reported.

The hat industry continued severely depressed, despite its propaganda against the local Uruguayan custom of going hatless. As winter approaches there will be some demand for head coverings, but that will be restricted by lack of consumer purchasing power. Negotiations by the hat industry for orders from South Africa continued during May, but the size of the orders contemplated was causing doubt that necessary supplies of raw materials would be available.

Activity in the tanning industry continued, with the larger plants completing their orders of sole leather for export to Great Britain. Local demand from shoe manufacturers was also good, but soon their supply will be adequate for winter shoes. The industry expected to continue active, however, since sufficient export demand was in sight. Prices were firm.

May is the most active month of the year for shoe manufacturing. The industry worked one full shift 6 days a week, and prices of shoes in May were maintained at a stable level. Almost the entire present demand was from Montevideo, orders from the interior having been restricted by the lack of purchasing power.

Domestic Trade and Prices

Increasing scarcity of imported goods has caused concern in some areas, but in Montevideo the situation was not serious. In the interior, however, the loss of consumer purchasing power, because of the drought, was causing anxiety among the merchants.

Despite some unseasonably warm weather in May, the usual winter demand for woolens was good. Cotton hosiery was in greater demand because of high prices and scarcity of better grades.

The price situation in merchandizing in general reflected the increasing demand and diminishing supply. Although the general index of the cost of living for workers' families in Montevideo remained unchanged in April, following its rapid advance to 125 in March, the press continued to print editorial comments on the problem of living costs, and resentment among those in the low-income brackets was growing. Doubt was expressed that the index was wholly reliable.

With the beginning of winter, prices for coal and wood were advanced. The special commission which had been investigating the higher prices for milk decided that the new level was justified. Rents in Montevideo also advanced, owing to the continuing demand and the decline in new construction. Agitation for wage increases to combat the rise in the cost of living continued.

Approximately 70,000 workers were unemployed in May. The Government has already spent 40,000,000 pesos in public works to give employment, but the problem continued without solution.

Lack of power in generating plants, caused by the fuel shortage, had necessitated reduced schedules for streetcars, but the situation improved in May, except that overcrowding of all public conveyances continued. The installation of substitute fuel equipment on private cars and trucks was encouraged, and the use of horse-drawn vehicles was actually causing a mild boom in body-building plants.

Rationing of meat and gasoline was strict.

Construction Activity

Building permits issued in April in the Department of Montevideo totaled 368 for a value of 692,076 pesos, compared with 415 valued at 1,022,556 pesos in March. The average monthly figure for 1942 was 1,946,666 pesos, which will suggest the relative depression in the industry.

Tariffs and Trade Controls

Potatoes: Sales Prices for the Present Crop Revised.—Sales prices for potatoes of the present crop were fixed at a minimum of 10 pesos per 100 kilograms to growers, a maximum market price of 11.20 pesos per 100 kilograms, and a maximum retail price of 13 centesimos per kilogram, by a decree dated May 7, 1943, and published in the Diario Oficial of May 13.

This decree cancels all other regulations governing the prices of potatoes for consumption.

[For announcement of the previously established prices for potatoes, see Foreign Commerce Weekly of May 22, 1943.]

Brazil's Quartz Crystals Play Key Role in War Communications

The intensified demand by the United States for quartz crystal, strategic mineral essential to war communications, has highlighted Brazil's sources of high-grade crystal, spurring production in that country to an unprecedented degree.

The United States Government in cooperation with Brazilian authorities now is sending into the mine regions of Minas Gerais, Goyaz, Matto Grosso, and Bahia big shipments of tools adapted for mining operations, in order to step up the output of this indispensable material for the United Nations war machine.

The strategic importance of quartz crystal is shown by these uses: Radio and television, telephony, depth-sounding and iceberg-detection apparatus, ballistics and defense devices, detonation measurement devices, precision instruments, prisms, lenses, scientific and laboratory apparatus, jewelry and polishers. Brazil supplies virtually the world's requirements of quartz crystal today.

Chief war need for Brazilian quartz crystal is for radio oscillators. Pieces the size of small wafers are used in transmitters and receivers to control frequency transmission. Because of the "piezo-electrical" property of quartz, the oscillator vibrates only to its assigned frequency. The quartz makes it possible to achieve precision tuning.

Every unit of the armed forces, on land, in the air, and on the seas, is equipped with intercommunicating radio sets, tuned to precision-controlled frequencies. The quartz devices determine the sensitive precision.

A very high quality of crystal is needed for this purpose. It needs to be "eye-clear" and "water-clear." Brazil is the world's largest source for this fine quartz. Since the outbreak of the war, United States requirements have been quadrupled.

To extract a ton of this quartz, it is necessary to dig out 10,000 to 100,000 tons of earth. Heretofore the mining has been carried on chiefly by small groups and individual itinerant miners. The United States Board of Economic Warfare, with an eye to stepping up production, has sent bull-dozers, carry-overs, and other modern equipment to the Brazilian quartz-mining industry. It has set up inspection laboratories in Rio de Janeiro and Bahia.

Meanwhile, exploring parties are searching for new deposits, evaluating both new and old ones, and studying mining problems.

News by COMMODITIES

Beverages

Wine Consumption in Switzerland

At the beginning of the present century, the annual per-capita consumption of wine in Switzerland amounts to between 70 and 80 liters (1 liter=1.0567 liquid quarts). During World War I there was a marked decrease, but after the war per-capita consumption rose and is only now beginning to decline. The consumption of distilled liquors in Switzerland is only about one-third of what it was 12 years ago.

The Swiss Federal Alcohol Administration has published the following averages showing the per-capita consumption of alcoholic beverages in Switzerland for the periods 1923–32, 1933–38, and 1939–40:

[In liters]

Item	1923–32	1933–38	1939–40
Wine	49.80	43.80	41.50
Beer	54.70	54.50	55.30
Hard cider	37.50	36.10	35.70
Liquors [1]	6.58	2.90	2.11

[1] 40 percent alcohol.

Chemicals

Pyrethrum Production in Brazil

There is no commercial production of pyrethrum in the State of Sao Paulo, Brazil, at the present time.

A number of experimental plots have been planted in several parts of the State, but the total area involved is small. These plantings of pyrethrum were made with cooperating farmers after a section of Insecticide Plants was established by the Sao Paulo Ministry of Agriculture in June 1942.

Acute Shortage of Fertilizers in Chile

The shortage of fertilizers in some districts in Chile has become serious, principally because of transportation difficulties.

Wheat and other crops in the Osorno and Temuco areas may be adversely affected, it is reported.

Fertilizer Shortage Serious in Germany

A considerable shortage of fertilizers has been reported by the German press, states a European chemical publication.

The situation appears most serious in the phosphates. Quotas last year were only 30 percent of the pre-war allotment, and, now that supplies from North Africa are no longer available, further cuts will be necessary.

Only 60 percent of the pre-war consumption of nitrogen fertilizers will be supplied this year, it is stated, a reduction of about 10 percent over 1942 allotments.

Lime, which was previously available in sufficient quantities, was put on a quota basis this year for the first time.

Although Germany has ample supplies of potash, even here allotments to farmers have been reduced 10 percent.

Situation in Italy's Chemical Industry

A survey of the Italian chemical industry is given in the annual report of the Montecatini Co. for 1942.

A 10-percent dividend is being distributed on the former capital of 1,600,000,000 lire, which has since been raised to 2,000,000,000 lire. The gross profit increased from 409,000,000 to 472,000,000 lire, but larger funds for taxes and for depreciation have left the net profit for 1942 unchanged. The report states that labor shortages were a problem and that prices, on the whole, were not adequate.

Efforts were made during the year to increase the production of electricity and to enlarge the company's participation in the power industry. Special attention was given to plastics.

The report on the subsidiary companies is favorable in general. Special importance is attached to the aluminum industry, and the erection of a new magnesium plant will commence soon.

Sales of phosphate fertilizers depended somewhat on the raw-material situation, which is influenced by shipping difficulties in the Mediterranean. It is not likely that any imports of rock phosphates will be received in 1943. The output of nitrogenous fertilizers was held at 1938–39 figures.

The use of copper-saving insecticides has been satisfactory, says the report, and it is probable that copper will not be used at all for this purpose.

Numerous problems had to be overcome in the production of nylon. In the rayon industry, cellulose products have replaced cotton linters. Acna, a subsidiary of Montecatini, has maintained "the rhythm of production" in the dyestuffs field, and research work has been continued.

Several explosives companies have been consolidated to form the new firm "Dinamite Nobel-Generale."

Cellulose-Acetate Manufacture in Sweden

Sweden now manufactures cellulose acetate, says a European chemical magazine.

The acetic acid used is obtained from birchwood carbonization.

Production of Yeast and Byproducts in Sweden

Food protein will be manufactured in Sweden on a commercial scale from yeast, the Swedish press reports.

An improved process has been developed at the Svartvik sulfite mill near Sundsvall, and the pilot plant is now producing several kilograms per hour.

Work has started on the erection of a large plant, which is expected to produce from 10,000 to 20,000 tons of dry yeast annually, using sulfite lye as a medium. The factory will be operated jointly by the Cellulose Combine and the Svenska Jastfabriks A–B.

Trial production of torula yeast has also been carried out at the Svartvik mills, and two factories will be built to manufacture this material, it is stated.

Nazis "Take Over" Antwerp Diamonds

Safes containing uncut diamonds have been broken into by the German authorities at Antwerp, according to the *Overseas News Agency*, in the latest attempt to make full use of this specialized industry in their war machine.

Until recently the Germans had tried to work with the former diamond industrialists, but they decided that they were not making rapid enough headway and decided to take over the entire industry.

Louis Franzel, formerly attached to the German Consulate at Antwerp, has reportedly been appointed controller of the diamond industry.

Coal, Coke, Charcoal, and Fuel Gases

Australia's Charcoal Production

Charcoal is now being produced on a large scale in Australia, the British press reports.

Government-owned kilns have been established at a number of points in the Commonwealth, it is stated.

Manufacture of Power Alcohol in India

The production of power alcohol in Bombay Province will commence soon, the British press reports.

Only one sugar mill in the Province has so far been equipped to manufacture alcohol. This factory, it is expected, will have a monthly output of about 30,000 gallons of power alcohol.

Expansion of Coal Mines in Spain

At the collieries of the Compañía de Carbones de la Camocha, which are located a few miles from the Spanish town of Gijon, it is planned to install a coal-sorting and washing plant with a capacity of 100 metric tons per hour, reports the European press. Work is to start also on the sinking of a third shaft with a diameter of about 18 feet and a depth of about 1,400 feet. Within the next 4 years, it is hoped that the colliery will be able to produce about 500,000 tons of coal a year.

A battery of coke ovens with a by-product recovery plant is being established by the Sociedad de Carbones de la Nueva in connection with its collieries at Sama de Langreo in the Province of Oviedo, it is stated.

Coal Production in U. K.

Output of salable coal in the United Kingdom during the 4 weeks ended April 17, 1943, averaged 4,005,200 tons a week, registering a slight decline from the preceding 4-week period, when output averaged 4,013,700 tons a week. Production of 3,739,800 tons in the corresponding period of 1942, is not comparable, for in that period the Easter holidays affected output.

Production from opencast workings (outcrops), not included in the above figures, averaged 67,400 tons a week during the 4 weeks ended April 17, 1943, an increase of 30 percent over the preceding period.

Four coal-mining districts, Leicestershire, Somerset, South Derbyshire, and North Staffordshire, qualified for the output bonus in the period under review, and thus approximately 38,000 miners became eligible for the bonus payment.

Construction

Brazil to Build New Canal

The Government of the State of Parana, Brazil, has approved the construction of a canal to connect the port of Guarataissaba in Parana with the port of Canancia in the State of Sao Paulo, reports a foreign trade magazine.

Building Activity in Chile

The Governor of Cautin Provinces, Chile, is reported to have received 100,000 pesos to complete work on the hospital in Temuco, which was begun some time ago but was delayed because of lack of funds. The hospital will accommodate 654 patients.

The municipality of Temuco proposes the construction of a modern slaughterhouse, cold-storage, and ice-manufacturing plant.

The sum of 700,000 pesos to construct a modern market and other public buildings has been allocated by the municipality of Loncoche, north of Valdivia.

Highway Construction in Chile

The sum of 2,700,000 pesos has been earmarked for the construction of an international unpaved highway to connect Victoria, north of Temuco, with Argentina, a distance of 70 miles. A road will connect Futrono, in the lumber region, with the railhead at Paillaco, 25 miles distant when the bridge spanning the Yoyelhue River (south of Valdivia) is completed, probably in June. The sum of 95,000 pesos has been made available for repairs to the existing road from Cautin to Argentina by way of Lonquimay.

A bridge over the Cauca River to connect Valdivia with its industrial suburb on Teja Island is under consideration.

Silk Industry for Nicaragua?

A number of local capitalists are now investigating the possibilities of utilizing industrially the silk produced by a type of wild silk worm found in the Republic of Nicaragua, reports the newspaper El Diario de Hoy.

The existence of these native silk worms in the regions round about Esteli, Nicaragua, has been known for some years, it is claimed, and the natives have long used the silk to make bridles for their horses. The fiber is reported to be very soft and strong, but efforts in the past to "industrialize" the production have never received effective encouragement.

Many years ago Dr. J. Sabino Escobar, of Nicaragua, sent a quantity of the cocoons abroad for examination and testing—but in those days nobody gave much attention to the practical possibilities inherent in the situation.

Eire's Building Activity

Construction statistics in Eire indicate that a total of 306 houses were completed during March, of which private persons or public utility societies accounted for 180.

It is stated that the total number of houses built or reconstructed since 1932 was 112,434.

Panama's Building Program

Building permits in the sum of $140,850 were issued in Panama City, Panama, during March. Of this amount, $107,900 was for new construction, $26,200 for additions, and $6,750 for repairs.

A tubercular hospital is reported as scheduled for early construction near Panama City, Panama. The approximate cost is said to be $2,000,000.

Building Program of Union of South Africa

A project for housing workmen from India, to cost more than £2,000,000, is planned by the city council of Durban, Union of South Africa. Of this sum, £1,647,000 would be spent on "economic" housing schemes and £388,000 on a "subeconomic" plan. The program would cover 8 years, states an African journal.

Electrical Machinery and Equipment

New Hydroelectic Power Plant, Ontario, Canada

Construction of a 400,000 horsepower hydroelectric power plant on the Ottawa River at the Des Joachims dam in Ontario, Canada, will be started soon, a foreign technical journal says. The project is expected to cost approximately $40,000,000, and about 18 months will be required for completion.

Germany Stops Sales of Incandescent Lamps

All sales of incandescent lamps have been prohibited in Germany until August, the foreign press reported in April. The explanation given was that replacements should not be necessary during the summer months when little artificial light is required.

India's Imports of Electrical Goods

India imported electrical goods and apparatus valued at 24,009,000 rupees during the 12-month period ended March 31, 1942, the foreign press says. This was 886,000 rupees less than the value of similar imports in the preceding year. Electrical machinery imported between April 1, 1941, and March 31, 1942, was valued at 23,638,000 rupees—an increase of 6,544,000 rupees, compared with the preceding year.

The United States and Great Britain together are reported to have supplied more than 50 percent of the total imports.

Electric-Power Production in New Zealand

The Hutt Valley Electric-Power Board, which serves 17,247 consumers and an area of about 530 square miles on North Island, New Zealand, reports that revenue in 1941–42 was the highest ever recorded—£179,162. Sales amounted to 63,100,000 kilowatt-hours, an average of 3,661 per consumer. The total for the preceding year was 56,800,000 kilowatt-hours.

According to the Board's published annual report, 33.3 percent of the consumers in the district own electric cookers and 35.43 percent have electric water heaters.

All construction scheduled for 1941–42 was completed, but plans for future improvements are being sharply curtailed.

Consumption of Electric Power in Panama

Electric-power consumption in the city of Panama, Republic of Panama, totaled 25,691,839 kilowatt-hours in 1942, an increase of more than 3,000,000 kilowatt-hours, or approximately 12.5 percent more than in the preceding year. Consumption for industrial purposes amounted to 8,943,824 kilowatt-hours, approximately 1,800,000 more than in 1941.

Imports of Electrical Goods Into Trinidad, B. W. I.

Trinidad's imports of practically all classes of electrical goods were greater in 1941 than in 1940, figures recently published in a foreign trade journal show.

The greatest increases were in electric water and beverage coolers, of which 31 with a value of $4,880 were imported in 1940 and 61 valued at $16,769 in 1941; and in electrical machinery, imports of which rose from 215 tons valued to $214,153 in 1940 to 516 tons and $688,302 in 1941. Decreases were reported in imports of electric refrigerators and light bulbs under 20 volts.

The following table shows total imports of major classes of goods in 1941, and the leading countries of origin:

Item and Country of Origin	*Value*
Insulated wire and cable, total	$212,998
Great Britain	122,846
Canada	45,992
United States	44,160
Radio apparatus, total	116,450
Great Britain	68,650
United States	23,966
Canada	23,326
Bulbs, electric light, under 20-V, total	15,173
Canada	5,953
United States	4,678
Great Britain	4,522
Bulbs, electric light, over 20-V, total	43,853
Great Britain	35,546
Canada	7,566
Other electric-light appliances, total	34,959
Great Britain	13,941
Canada	9,369
United States	7,408
Primary batteries, complete, total	27,702
Canada	21,794
Storage batteries, including parts, total	38,423
Canada	36,347
Electric stoves, total	33,037
Canada	28,460
Electrical goods and apparatus, n. o. p., total	$340,998
United States	166,979
Great Britain	101,401
Canada	71,294
Electric refrigerators, total	80,164
Canada	71,129
Electric water and beverage coolers, total	16,769
Canada	14,079
Electrical machinery, total	688,302
United States	493,480
Great Britain	154,878
Canada	38,277

Foodstuffs and Allied Products

Coffee and Tea

Coffee Exports From Colombia

Colombia exported more coffee in April than during any of the 3 preceding months of 1943. Exports amounted to 425,247 sacks of 60 kilograms each, compared with 401,942 sacks in March; 342,422 in February, and 422,535 in January.

During April 1943, 455,999 sacks of coffee were registered against the 1942–43 quota.

Up to and including April 24, 1943, the United States had imported from Colombia, during the present quota year, 42.5 percent of the Colombian quota of coffee for the entire year, according to the Colombian press. United States imports from Brazil were 16.8 percent of the Brazilian quota; from Costa Rica, 30.8 percent of its quota; and from Venezuela, 46.4 percent of the quota for that country.

Up to April 24, the United States had imported from all countries a total of 7,580,426 sacks of coffee, which is but 27.1 percent of the authorized quota for the whole quota year.

Coffee Situation in Ecuador

Trade in Ecuadoran coffee during April 1943 was fairly active, despite the fact that the coffee season ended in that month. Coffee receipts at the port of Guayaquil amounted to 6,000 quintals of 101.4 pounds each, compared with 7,000 quintals during the preceding month. Most of this coffee came from the Province of Manabi where it was released by merchants who had purchased it earlier in the year in the expectation of a rising market. Failing to realize these expectations, and fearing a further price decline for remaining stocks in June, when the new crop was expected to enter the market, merchants showed great eagerness in releasing existing stocks.

Coffee exports from the ports of Guayaquil, Manta, and Bahia de Caraquez amounted to 9,122 bags of 60 kilograms each (1 kilogram=2,2046 pounds), according to an unofficial source, compared with 513 bags in April 1942.

Because of the decline in coffee exports in April compared with March exports of 13,220 bags, and expectations of a new and normal crop within the following 2 months, the price of coffee on the local market declined slightly during April.

The tax on hulled coffee has been increased from three-fourths of 1 percent of the gross volume of sales to 0.90 sucre per quintal of coffee hulled, according to Ecuadoran Executive decree issued on April 29th. Accounts for such taxes must be rendered bimonthly by the owners of coffee mills. The decree was made retroactive to April 1.

Up to April 30, 1943, Ecuador had scheduled for shipment 88,748 bags of coffee to the United States, to be checked against its quota of 187,238 bags assigned by the Inter-American Coffee Commission for the coffee quota year from October 1, 1942, to September 30, 1943.

Coffee Exports From Guatemala

Guatemala exported 76,491 bags of coffee of 60 kilograms each during the 5 weeks from March 28 to April 30, 1943—a decline of 12,582 bags from the corresponding period of 1942.

Total exports of coffee in the 1942–43 quota year up to May 1, 1943, amounted to 545,353 bags, compared with 451,038 bags in the comparative period of the 1941–42 quota year.

Estimated Tea Production in India

India's production of tea for the 1942–43 season is estimated at approximately 555,000,000 pounds, according to the foreign press. It is probable that not more than 421,500,000 pounds will be shipped to the United Kingdom and other markets, however, since the Government of India intends to maintain an internal tea reserve of at least 130,000,000 pounds.

Coffee Situation, Nicaragua

Exports of Nicaraguan coffee during April 1943 amounted to 23,700 bags of 60 kilograms each, according to an un-

"Don't Shoot the Alligator—He's Really a Friend to Man!"

A 3-year closed season on those alligators that inhabit the sluggish streams and swamps of northern Argentina, in the Territories of Formosa, El Chaco, and Misiones, has recently been established by an executive decree, issued through the Argentine Ministry of Agriculture. The alligators in those regions, in consequence of over-hunting, are now almost extinct. The Argentine "crop" of alligator hides is ordinarily worth more than 1,000,000 pesos a year.

A writer in a recent issue of the magazine Mundo Argentino points out that the alligator, contrary to common belief, is a very shy, harmless, and inoffensive creature so far as the human race is concerned, and that it will "never attack unless it is cornered." He also calls attention to the fact that the destruction of the alligators has "upset the biological equilibrium" of the region mentioned above and has, in fact, been the cause of a serious epidemic of a parasite known locally as "saguaype"—which is apt to bring about the death of cattle and sheep and, occasionally, of human beings.

The larva of this parasite, say the naturalists, first develops in the bodies of certain snails found in and around the swampy lake regions where the alligators make their homes. After the saguaype reaches a certain stage of development it leaves the snail and climbs up on the grass along the shore. The cattle and sheep eat this grass—and the saguaype makes its way into the animals' livers, soon killing the animals.

Young alligators, it is asserted, live on the snails that are the original "hosts" of these pernicious parasites, and the latter are thus kept under a marked degree of control.

What the saguaype does to the *alligator's* liver does not anywhere appear in the evidence at hand.

official source, compared with 21,096 bags in the same month of 1942.

Up to and including April 30, 1943, 124,771 bags of coffee of the 1942–43 season were exported and registered sales totaled 157,970 bags.

The trade reports that the prospects for the 1943–44 coffee crop appear brighter than at any comparable period during the past 8 years. Early April rains caused the trees to flower in many of the important coffee-producing areas, though many subsequent factors may adversely affect production and no reliable crop estimate is possible so early in the season.

Dairy Products

Canadian Cheese To Go To Great Britain

All Canadian cheddar cheese manufactured in the Provinces of Ontario and Quebec, or about 90 percent of Canada's total production, will be taken by the Dairy Products Board for export to Great Britain. The requisitioning of all cheese after June 1 is essential to maintain the monthly shipping schedules. A similar order was put into effect in 1941.

Fish and Products

Canada's Salmon Industry

During the 1942 Canadian fishing season the salmon pack amounted to approximately 1,800,000 cases, all of which was sent to the United Kingdom. This season's pack is estimated at about 1,500,000 cases, and it is reported that the canneries will be permitted to sell 200,000 cases in Canada, and the remainder will go to Great Britain.

The Wartime Prices and Trade Board, through the fish price administrator, has set the maximum prices of Canadian Pacific Coast salmon, including prices to be paid to fishermen under an order which became effective on May 15, 1943. The order further provides for the possible sale of a portion of the 1943 salmon pack in the domestic market.

Prices will apply to any variety of salmon bought by canners during any part of the fishing season, except chums caught in Johnstone Strait in the period from October 1 to the end of the season.

Canners prices are net f. o. b. Vancouver, Victoria, New Westminster, Steveston, Prince Rupert, or Skeena River, with cans labeling and cases wired for export.

Wholesalers are allowed their maximum mark-up of the basic period, from September 15 to October 11, 1941, but this must not exceed 10 percent.

Retailers are allowed their basic period mark-up, not to exceed 25 percent of the retail selling price.

Grain and Products

Flour Production in Argentina

Argentine flour mills, operating on a reduced export basis, are estimated to be producing 80- to 80-percent capacity. Flour production in 1942 is unofficially estimated at 1,470,000 metric tons, or only slightly above the 1941 production of 1,466,683 tons.

In 1941, the Ministry of Agriculture reported 256 mills registered, but the number in operation dropped from 174 in 1939 to 162 in 1941. No figures have been published showing the number of mills operating currently, but they are estimated to be about the same as in 1941.

It is believed that flour production in 1943 may be increased about 15 percent. Increased production, however, depends upon the following factors: The availability of wheat at reasonable prices; the number and capacity of mills; possible limitations upon the amount of power available; and an equivalent demand for any increase above current production.

The average monthly export price for flour has remained at 132.59 Argentine pesos per metric ton since July 1941, according to official export statistics. It is believed that this price is sufficiently high to justify increased production, provided that wheat prices remain at about 8 Argentine pesos per 100 kilograms, and provided that an equivalent outlet is found.

Cereal Production, Egypt

The full effect of the Egyptian Government's policy of growing more cereals and less cotton began to be seen in the first quarter of 1943, when the position of the food crops was reported to be very satisfactory. There was even discussion concerning exportable surpluses of wheat, millet, and rice.

Wheat acreage in 1942–43 was estimated at 1,917,422 feddans (1 feddan=1.038 acres)—22 percent higher than in the 1941–42 season and 27 percent higher than in 1940–41 — according to the Egyptian Ministry of Agriculture. The barley acreage of 418,947 feddans was 30 and 63 percent higher, respectively, and the 381,010 feddans in beans were 6 percent and 3 percent higher, respectively, than in the two preceding seasons.

The final estimate of the 1942 rice crop, also published during the quarter, indicated that production at 995,000 daribas (1 dariba=934.5 kilograms) was 64 percent higher than in the preceding year.

Grain-Crop Prospects in Portugal

Prospects for wheat, the principal grain crop in Portugal, are not bright at this time. Production in 1943 is estimated at 330,000 metric tons, compared with an estimated production of 495,000 tons in 1942 and 448,820 tons in 1941. Area seeded is estimated at 480,000 hectares (1 hectare=2.471 acres), compared with 520,000 in 1942 and 555,284 in 1941.

Stocks of wheat are considered low—probably insufficient for 1 month's consumption. Since May 1, millers have been delivering 40 percent less than the normal supply of flour, which fact has resulted in a correspondingly smaller supply of best-quality bread being placed on the market. Two local macaroni-products factories are being closed because of the lack of flour, and deliveries to grocers have been suspended.

Corn is the most promising grain crop. Production for 1943 is estimated at about 500,000,000 liters (1 liter=0.908 dry quarts) compared with 450,000,000 liters in 1942 and 520,000,000 liters in 1941. Planted area is currently estimated at 410,000 hectares, or slightly more than the 400,000 in 1942 and 395,000 in 1941.

Production of oats is estimated at 200,000,000 liters, compared with 215,000,000 liters in 1942 and 178,710,000 liters in 1941. Seeded area is estimated at 220,-

Rope and Twine Shortage Poses Challenging Problems

A shortage of approximately 50,000,000 pounds of rope and commercial tying twine for military and civilian requirements, together with the immediate necessity of producing more rope, was reported at the Jute Spinners Industry Advisory Committee meeting recently held with Government officials at Washington. The chief of the Soft Fiber Cordage Unit, of the Cordage Branch, Textile, Clothing, and Leather Division of the WPB, presided at the gathering.

It was proposed that the Soft Fiber Institute be requested to appoint a Technical Committee to give further study to simplification and standardization of the industry.

In discussing the manpower situation, which it was claimed has been one of the main reasons for the industry's inability to fulfill production requirements, it was stated that the War Manpower Commission's efforts have helped considerably. The commission recently asked its regional representatives to make every effort to alleviate the manpower shortage of the jute spinners, whose activities are recognized as essential.

Other matters discussed included the individual voluntary streamlining practiced by some of the spinners; progress in American hemp production and its availability to hard- and soft-fiber processors; finding a substitute for henequen to be processed on hard-fiber machinery into binder twine; and providing enough roving or jute yarn to the small processors who have no rating, by obtaining it from the credited jute spinners on a pro-rata basis, thereby enabling the small processors to keep their machinery active.

The merits of importing jute rope and jute yarn from India to augment the much-needed production of rope in our jute-spinning industry also were considered.

Home Weaving Encouraged in Argentina

To give added income to the lower economic groups and to provide part-time work to the families of thousands of small ranchers and farmers, the Corporación Argentina Tejeduría Doméstica (Argentine Domestic Weaving Corporation), a new organization with funds supplied by the Government, is purchasing and distributing 2,500 hand looms to village and country families, chiefly in the (poorer) Provinces of Catamarca and Santiago del Estero which are in the cotton-growing northern regions of Argentina.

The Government has advanced 1,000,000 pesos to purchase and distribute looms (700 of which have already been distributed and are now in use) and 2,000,000 pesos to purchase the cotton yarn used in weaving—reports the weekly periodical "Mundo Argentino" in a recent issue.

The new looms are a vast improvement over the primitive hand looms once familiar in the country households of Argentina. They are known as the "manual automatic type"; the operator does nothing except provide the necessary power, with his feet, and watch the progress of the work while the shuttle operates automatically.

A good operator, it is said, can produce on one of these new looms, in an 8-hour day, 30 meters of cloth, 1 meter wide, of a weight of 350 grams per cubic meter—equal to nearly 8 ounces to the square yard.

While it is admitted that the manual loom cannot compete with the power looms of the factory, it is pointed out by interested Argentineans that this cottage industry will use millions of idle hours of labor now going to waste—filling in between the usual household tasks.

000 hectares, compared with 180,000 for 1942 and 169,946 for 1941.

Rye production in 1943 is estimated at 110,000,000 liters, compared with 175,000,000 in 1942 and 122,488,000 in 1941. An estimated 145,000 hectares have been seeded, compared with 135,000 hectares in 1942 and 132,956 hectares in 1941. A low yield is predicted this year because of adverse weather conditions.

Severe storms in the region near Elvas in east central Portugal have damaged the barley crops in that area. Production for 1943 is estimated to reach 80,000,000 liters, compared with 95,000,000 liters in 1942 and 83,734,000 liters in 1941. Area seeded is reported to approximate 80,000 hectares, in contrast with 70,000 in 1942 and 63,700 in 1941.

Estimated rice production in 1943 is 75,000 metric tons—smaller than the 1942 and 1941 crops of 88,700 and 82,500 tons, respectively. Area planted to rice is reported to be 21,500 hectares this year in contrast with 23,000 in 1942 and 22,000 in 1941.

Poultry and Products

Poultry Raising Expanding, Canada

Poultry raising in Canada is expanding rapidly both for egg production and for poultry meat.

Egg receipts in April were much higher than a year ago and grade-A egg prices were from 10 to 13 cents more per dozen than in April 1942. The British contract calls for 2,100,000 cases, compared with 1,500,000 in 1942.

All eggs exported are in dry form, and the price of $1.16 per pound in bulk at seaboard equals 42 cents a dozen for shelled eggs. Of the 345,000,000 dozen eggs called for by the British Ministry of Food, 205,000,000 dozen are expected from the Prairie Provinces.

Prior to World War I, Manitoba was an importer of turkey. By 1930, however, it was exporting 1,000,000 pounds of turkey to Great Britain. The Prairie Provinces now produce 80 percent of Canada's turkeys. Manitoba has been asked to increase its production 13 percent, and it is believed that this objective may be exceeded. Increasing demands for foundation breeding stock during the past few months indicate a possible increase of 20 percent.

Egg-Powder Production in South Africa

The milk-powder factory at Bethal, Orange Free State, is converting 1,000,000 eggs into egg powder, according to the foreign press. This is the first time the spray-drying process for converting eggs into powder has been used in South Africa.

Nuts

Iran's Almond Crop

Although the current Iranian almond crop will not be harvested until the end of the summer, production for the year ending March 21, 1944, is estimated at approximately 8,000 metric tons. This figure includes 6,400 tons of shelled and 1,600 tons of unshelled almonds.

Growing conditions for almonds in Iran during the present season, have been exceptionally good.

Normal local consumption of almonds in Iran is said by the trade to be about one-eighth of the country's total production. It is possible, however, that the present shortage of certain other foodstuffs has raised this estimate.

The trade estimates stocks of almonds in Iran at approximately 2,000 metric tons.

Early in May shelled almonds ranged in price from 35 to 38 rails per kilogram. Although unshelled almonds are not quoted on the local market they are said to bring about 9 rials per kilogram in southern Iran. Export quotations f. a. s. an Iranian port are now from $1,400 to $1,600 per metric ton.

Sugars and Products

Sugarcane Crop in Barbados

The sugarcane harvest in Barbados, British West Indies, is larger than was previously anticipated, and the latest estimate of production is approximately 143,000 short tons.

Cutting of the crop was completed by the end of April, though there remained a fair amount of cane to be ground. As no molasses is being made for export, molasses factories are not operating and must send their cane to sugar factories, many of which are heavily taxed by the extra burden.

The young cane crop is in excellent condition, and an official report recently issued stated that it is doubtful if a finer crop has ever been seen at this stage of development.

Peruvian Sugar Situation

Peruvian sugar output in April 1943 is unofficially estimated at 22,000 short tons, thus bringing production for the first 4 months of 1943 to about 99,000 tons.

Estimted of the National Agrarian Society indicate that Peruvian domestic sugar consumption during March 1943 amounted to about 11,000 short tons, compared with 12,000 tons in January, 11,000 in February, and 8,000 in March 1942. Sugar consumption in the first quarter of 1943 is estimated at 34,000 tons, compared with 33,000 tons in the corresponding quarter of 1942. On the basis of these figures, domestic consumption during the first 4 months of 1943 may be calculated at about 45,000 tons.

At present apparent rates of consumption, the 1943 domestic use of sugar of all types may be forecast at approximately 135,000 short tons. Consumption was 129,000 tons in 1942 and 121,000 tons in 1941.

Exports of sugar in March 1943 totaled 14,000 short tons, considerably less than the 30,000 tons exported in March 1942 and the 47,000 tons exported in March 1941. Of the exports in March of this year, 13,500 tons went to Chile and the remainder, or 500 tons, to Bolivia.

Cumulative sugar exports for the first quarter of 1943 aggregated 50,000 tons, compared with 97,000 in the corresponding quarters of 1942 and 1941. Exports to Chile during the 1943 period amounted to 33,000 tons, compared with 50,000 tons in the same period last year. Another fairly important outlet in the March 1943 quarter was Uruguay, which took 14,000 tons, in contrast with 7,000 tons in the comparative period of 1942. Bolivia with 2,000 tons and Panama with 700 tons were the only other countries of destination during the January-March period of 1943.

According to preliminary statistics, Peruvian sugar exports during April 1943 amounted to about 6,500 short tons, of which 6,300 tons were shipped to Chile and 200 to Uruguay.

Of the estimated stocks aggregating 120,000 tons, approximately 88,000 tons were reported as unsold; nearly all of the remainder (32,000) had been contracted for delivery to Chile in May and June 1943, and a few thousand tons had

been sold to Uruguay and the United States.

Vegetables and Products

Potatoes Used for Motor Fuel in Germany

Out of every 10 tons of potatoes harvested in Germany, less than 6 tons will be available for food, states the foreign press. This is because 42 percent of this year's German potato crop will be required for motor fuel for military use.

Use of Dried Vegetables Increasing in Balkan Countries

The use of dried vegetables as a food staple is increasing throughout the Balkan countries, such as Rumania and Bulgaria, according to the foreign press. The most recent survey of the Rumanian National Cooperative Association shows that 40,000 kilograms of vegetables were dried in 1942 and another 60,000 kilograms were available for processing when the year ended.

Hardware

Imports Into Trinidad

Trinidad imported wire nails and staples weighing 1,087 tons and valued at $95,383 in 1941, says a foreign trade journal—a substantial increase over 1940 imports of 747 tons valued at $67,821. Imports of bolts, nuts, rivets, washers, screws, and tacks dropped from 408 tons in 1940 to 382 tons in 1941, but their value rose from $120,678 to $132,617.

The leading supplying countries in 1941 and the value of goods received from each are shown in the following table:

Item and Country of Origin	*Value*
Wire nails and staples, total	$95,383
Canada	88,646
Bolts, nuts, rivets, washers, screws, and tacks, total	132,617
United States	61,188
Canada	43,618
Great Britain	27,811

Iron and Steel

New Furnace Installed, Nova Scotia, Canada

A new open-hearth furnace has been installed by the Dominion Steel and Coal Corporation, Ltd., at Sydney, Nova Scotia, says a foreign trade journal. Production capacity is reported at 75,000 tons a year.

Canadian Production

Canadian production of pig iron rose from 143,973 tons in February 1942 to 157,467 tons (113,855 tons of basic iron, 20,268 tons of foundry iron and 23,344 tons of malleable iron) in February 1943, according to the Dominion press.

Output of ferro-alloys amounted to 16,356 tons in February 1943, compared with 15,331 tons in the preceding month and 17,358 tons in February a year ago. Figures for production of steel ingots show 245,588 net tons in February 1943, and 242,921 tons in February 1942.

Increased Production in France?

French iron and steel works have been faced with a shortage of fuel, but by diverting coal from less essential industries, sufficient supplies were obtained to bring early 1943 production to a higher rate than in pre-war years, says a foreign trade journal. The French industry is working chiefly on structural iron for the Germans.

Formation of a new company, known as the Union National de la Construction Metallurgique, to trade in iron and steel and engineering work in France and the French colonies, is also announced.

Sierra Leone's Transportation of Ore

High-quality iron ore is mined at Marampa, Sierra Leone, says the British press, and efficient railway service to a good port, facilitates the movement of ore. Stocks are now accumulating, however, as fewer ships can be spared for ore shipments.

The railway that runs the 52 miles between Marampa and Pepel can carry 1,000 tons of ore at a time, or 5,000 tons daily. A mechanized washing plant also has a daily capacity of 5,000 tons.

A deep-water channel leads from the Freetown harbor to the port of Pepel, and it is claimed that large ships from the Atlantic can be loaded and ready for sea in a few hours. An endless-belt conveyor is capable of loading 1,500 tons of ore an hour.

Industrial Developments in Spain

Formation in Spain of 19 companies in the mining industry and 41 new companies in the metallurgical and machine industries is reported for 1941 by the foreign press.

Any substantial increase in prices of iron and steel products in Spain must have the approval of the National Metal Syndicate.

Scrap Collections in Sweden

Under new decrees being issued in Sweden for the improvement of scrap collection and the control of distribution of scrap to iron and steel works, the foreign press says that district quotas will be introduced and a scrap reserve formed.

All previous records were broken by the output in 1942 by Swedish rolling mills. Imports were increased and exports reduced, resulting in greater quantities of commercial iron for the home market. At the end of the year, however, diminished stocks of pig iron, castings, and scrap were reported.

Livestock

Eire's Sheep Population

The number of sheep in Eire in January 1943 was 1,922,200, compared with 2,057,400 in January 1942. In June 1942 there were 2,692,900 sheep, compared with 2,909,500 in June 1941, according to an Irish statistical publication.

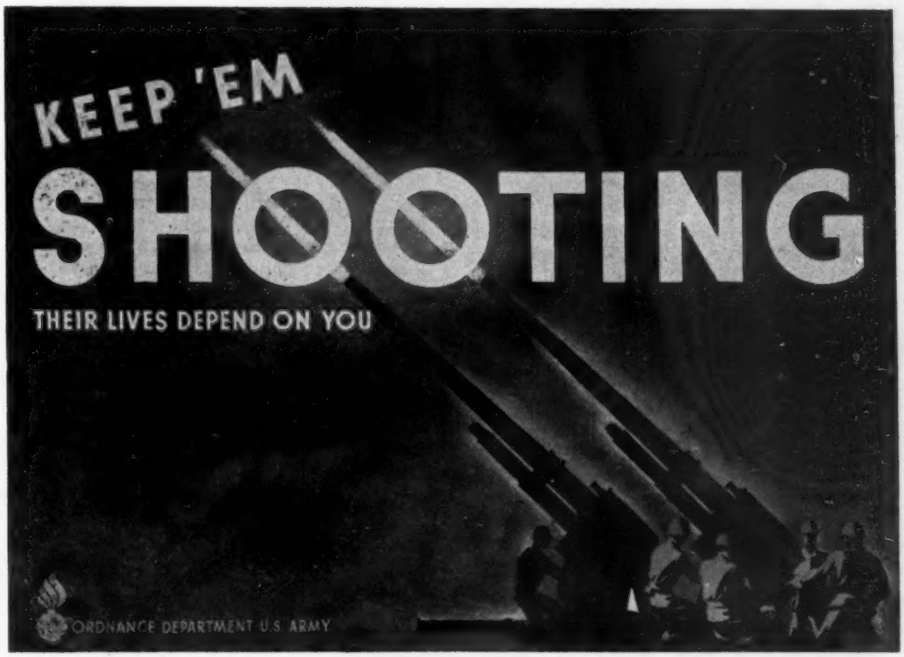
Sheep exports have tightened recently because of the shortage of bacon.

Lumber and Products

Reforestation in Angola

The Central Department of Forestry Services of Angola (Portuguese Africa) plans to establish a number of regional forests in 1943 and to extend experimental work already begun.

Reforestation will receive special attention because of extensive cutting of the forest. Some forest areas have been cleared for agricultural purposes, and there have been considerable losses through fire; quantities of wood have also been used for fuel.



Special studies will be made in the Cabinda forest region, particularly of African mahogany.

Finland's New Lumber Concern

Three Finnish sawmilling companies have been consolidated to form a new lumber concern, Repola-Viipuri O/Y, says a European trade publication.

The new firm is capitalized at 14,000,000 Finnish marks.

Lumber Production in Panama

Most of Panama's lumber production is in hardwoods, particularly mahogany, cedar, and nazarine. Softwoods are cut on a smaller scale.

Possibilities are said to be good for the cutting and milling of quipo, a wood similar to balsa, which may be of use in certain types of airplane construction.

The present lumber output can be increased by approximately 75 percent, it is reported, if the war effort demands it.

Sweden's Lumber Industry

There has been a considerable decline in Sweden's exports of sawn and planed goods during the past 3 years, says the annual report of the Swedish Wood Exporters' Association.

Export figures for 1940–42 are shown in the accompanying table:

[In Standards [1]]

Exports to—	1940	1941	1942
Germany	300,000	253,000	195,000
Denmark	40,000	85,000	90,000
Norway	28,000	50,000	25,000
Netherlands	55,000	75,000	25,000
Belgium	10,000	10,000	5,000
United Kingdom	35,000		
France			
Spain	1,000		
Europe, n. o. s.	1,000	2,000	5,000
All other	20,000		10,000
Total	490,000	475,000	355,000

[1] Standard=1,980 board feet.

The lumber market in Sweden has remained comparatively quiet since the conclusion in February of a price agreement with Germany, the Swedish press reports.

Because a substantial reduction is planned in the number of firms authorized to make purchases abroad, no large sales to Germany have been completed. New procedures have not yet been set up, however.

Several of the most important Swedish sawmills in the Gefle district recently suspended operations temporarily, the European press reports.

Forestry work and improvements at the plants were carried on in the interval. Milling has now started again, however.

The Kastet mill of Korsnas Sagverks A. B. has already resumed work. This company reports net profits for 1942 of 1,310,000 crowns, compared with 1,000,000 crowns in 1941.

Stora Kopparbergs Bergslags A/B., an important Swedish lumber concern, plans extensive improvements at its Skutscar sawmill, which will be rebuilt and modernized.

The company's output of wood goods in 1942 amounted to 21,800 standard (1 standard=1,980 board feet), against a total of 19,300 standards in 1941.

U. K.'s Stocks of Mining Timber

Summer stocking of pitprops for the South Wales mines will commence soon in order to build up winter reserves, the British press reports, and considerably higher deliveries of mining timber are planned for the coming months.

Import trade in pitprops is still negligible, although supplies are available from Portugal when shipping space permits. Some mine timber is received from Eire.

Home forests continue to be the chief source of supply, although a larger proportion of the timber is now hardwood. Steel for pit use has been furnished in good quantity and where it is employed timber allocations have been cut.

Inferior Wood Not Subject to License Requirements in U. K.

Wood suitable only for fuel or for making into charcoal or firewood blocks is removed from license requirements in the United Kingdom, the British press reports.

Round timber not more than 2½ inches in diameter is no longer subject to timber-control orders, it is stated.

Survey of Forest Lands in U. S. S. R.

About 190,000 square miles of forest land in White Russia were recently surveyed by air, say reports from Germany appearing in the European press.

The territory covered was in the vicinity of the headwaters of the Dnieper, Pripet, Desna, and Beresina Rivers. This work was undertaken, it is stated, to form an estimate of the resources available for a definite program of timber exploitation in that region.

Medicinals and Crude Drugs

Bulgaria's Botanical Products

The gathering of herbs growing wild, and the cultivation of medicinal plants in Bulgaria have been promoted by the Ministry of Agriculture, says the European press. Special courses have been held to educate collectors in recognizing and handling the plants.

Satisfactory results have been noted from this campaign—in 1942, 6,928 tons of medicinal plants were exported, compared with only 60 tons in 1937. Chief botanicals shipped were peppermint, pyrethrum, valerian, basil, and lavender.

The Ministry of Agriculture is setting up more drying plants, and experimental planting of new types of herbs is taking place.

New WPB Ruling on Agar

Control and administration of agar (like most other drugs) now being under its Chemicals Division, the War Production Board recently amended Conservation Order M–96 directing that all future reports and correspondence relating to this drug be addressed to the Chemicals Division, instead of the Health Supplies Branch.

Order M–96 defined agar as a mucilaginous substance extracted from gelidium and certain other related algae. It is also known as agar-agar, Chinese gelatin, and Japanese gelatin, and was placed under restriction in February 1942 to conserve the supply and direct distribution to essential purposes.

Motion Pictures and Equipment

U. S. Films Preffered in Cape Verde Islands

Theater-goers in the Cape Verde Islands prefer motion pictures from the United States, and approximately 90 percent of the films exhibited there are United States productions. About 10 percent are from Great Britain and Portugal. Before the war, some films usually artistic musicals or cultural types) were imported from Central European countries, but at the present time none are being received from those areas.

All films are imported through commercial firms in Lisbon on a contract basis, ordinarily for 90 days. All are censored and given Portuguese subtitles before they leave Lisbon.

Adventure stories, animated cartoons, gangster pictures, and "Westerns" are favorites with a large majority of the people who attend the theaters. Serials are also very successful. Most of the films presented are from 3 to 5 years old, which probably explains why few news reels are shown. No documentaries or educationals are exhibited.

There are two theaters in the Islands—one, with seating capacity of 600, is located on Sao Vicente in the Barlevento group of islands; the other, with accommodations for 300, is on the island of Santiago in the Sotavento group. The former reports annual attendance to be about 75,000; the latter, 30,000. Admission ranges from escudos 2$00 to 25$00, with most seats in the low-price bracket. (At the current rate of exchange, $1.00 is equivalent to escudos 24$45.)

U. S. and British Films Shown in Eritrea

British military authorities now have complete control over motion picture films shown in Eritrea.

In general, audiences prefer United States features; their second choice appears to be animated cartoons. United Nations' sympathizers are very much interested in war films; the Italians attend them but give no indication of their feelings. Pictures in the English language are ordinarily given French, or French and Arabic, subtitles.

United States and British productions are being imported regularly and, in ad-

dition, there are about 1,000 Italian films in the Colony which are shown again and again. People of the United Nations do not attend theaters which show Italian films, but the Italians patronize all the theaters.

The total number of theaters in Eritrea is 23; seating capacity ranges from 200 to 1,500. Large theaters present four performances daily, but, since local curfew regulations are in effect, the last show starts at 7:30 p. m.

Mobile Motion-Picture Unit Tours Nigerian Mining Camps

The Nigerian Government recently sent a mobile motion-picture unit on a tour of isolated mining camps, the foreign press says, to relieve the boredom of the workers and to improve their morale. Some of the miners had never before had an opportunity to see a "movie," and the tour is reported to have been very successful.

Naval Stores and Rosin

India's Production

India's rosin production for the third and fourth quarters of 1942 amounted to 1,621 and 1,981 long tons, respectively.

Turpentine output increased from 382 long tons in the third quarter of 478 tons during the last 3 months of 1942.

Nonferrous Metal

Australia's Gold Production

The yield of 848,180 fine ounces of gold from the mines of Western Australia in 1942 represented a decrease of 261,138 fine ounces from output in 1941, the British press advises. Economical mining of lower grades of ore is now possible as a result of the increased price of gold and improved mining practices.

Gold and Silver Production, Manitoba, Canada

Gold production in Manitoba, Canada, in the first quarter of 1943 declined to 26,965 ounces, valued at $1,038,141, from the 38,043 ounces, valued at $1,464,614, that was officially reported in the comparable period of 1942.

Decreased silver production is also shown in this quarter—163,641 ounces ($80,561) in 1943 against 197,530 ounces ($76,322) in 1942.

Chile's 1942 Gold Production

Chilean production of gold in 1942, amounting to a total of 5,826,800 fine grams, was little more than half the output of the peak years 1939 and 1940, when more than 10,000,000 fine grams were produced, says the Chilean press. Placer gold amounted to 349,500 grams in 1942 and mines furnished 1,885,500 grams, but the largest quantity, 3,591,800 grams, was from ores and metals containing gold.

Silver Shortage in Eire

In Eire, the shortage of silver for industrial purposes is expected to result in difficulties in replenishing supplies when stocks held by silversmiths are exhausted.

Official OWI Photo

Several years ago a boom in buying and selling scrap silver practically wiped out the supply, and silver scrap must be sent from Eire before English manufacturers will furnish the needed silver in sheet, tube, or wire. Eire has no silver rolling mills at present.

There is an adequate supply of silver, however, for coinage purposes.

Base-Metal Production in Northern Rhodesia

Northern Rhodesia is the leading producer of base metals in all Africa and is second only to the Union of South Africa in total mineral production, says the foreign press.

In less than 10 years the value of mineral production in Northern Rhodesia has increased tenfold, primarily the result of the opening up of great copper mines, which also yield quantities of cobalt. The Broken Hill lead-zinc-vanadium mine makes important contributions to the country's output of base metals.

Southern Rhodesia's Mineral Production

The highest value on record for mineral production in Southern Rhodesia, £9,377,166, is reported for 1942 by the foreign press. The £478,106 increase over the 1941 value is entirely the result of increased production of base minerals, which represented £2,976,848 of the total. Gold accounted for £6,384,255 of the total and silver for £16,063.

Bauxite Deposits in Southern Rhodesia

The only occurrence of bauxite known south of the Zambezi River has been discovered over a large area near Penhalonga, Southern Rhodesia, the foreign press reports. It is estimated that nearly 2,500,000 tons have been uncovered.

Gold Mining in Union of South Africa

In a discussion in Parliament of the policy of the South African Government toward gold mining, the Minister of Mines expressed approval for the recovery of the greatest quantity possible from all grades of ore, with no wasteful mining. He favored also the export of base-mineral products after as much processing as was practical had been done within the Union.

Looking to the future, a commission is to be appointed to study the possibility of ultra-deep mining as a long-term policy.

Transvaal production of gold in April 1943 is reported by the South African press at 1,075,363 ounces fine, compared with output of 1,182,678 in April 1942.

West Africa in Search of Wolfram and Molybdenum

A survey is to be conducted in West Africa in search of new sources of wolfram and molybdenum, the foreign press advises. Headquarters will be in Nigeria and the study will reach into French Cameroun, Liberia, and Angola.

Nonmetallic Minerals

Belgian Congo Supplies Diamonds to U. K.

The Belgian Congo is furnishing Great Britain with about 1,000,000 carats of industrial diamonds monthly, says the British press.

Output of Canadian Clay-Products Industries

The combined production of the domestic and imported clay products industries in Canada in 1941 is estimated at $12,947,189, compared with $10,848,338 in 1940, according to official Canadian statistics.

Producers' sales of domestic clays and products made therefrom had a gross value of $7,575,336 in 1941, compared with $6,344,547 in 1940. Sales in the different branches of the industry included building brick valued at $3,765,493; sewer pipe at $1,422,389; hollow blocks, roofing and floor tile, $1,085,219; drain tile, $333,364; and pottery, including earthenware, $502,212. Sales of fire-clay mined in Canada in 1941 amounted to $35,475; firebrick and other fire-clay products made from Canadian clays were valued at $374,394; bentonite shipments amounted to $7,830 and the first kaolin produced since 1935 was worth $30. There were 137 firms reported active in the Canadian domestic clay-products industry in 1941.

Output of 22 plants occupied chiefly in making ceramic products from imported clays was valued at $5,371,852 in 1941; in 1940 production of the imported clay products industry had a value of $4,503,791.

Canada's Production of Salt and Lime

Preliminary figures on Canadian production of commercial salt and lime in 1942 are given in the press at 318,682 and 894,246 tons, respectively.

Phosphate-Rock Production, Netherlands West Indies

Unwieldly stocks of phosphate rock at mines in Curaçao, Netherlands West Indies, caused suspension of operations in June 1940; a high export demand, however, almost exhausted stocks, and operations were resumed at the end of 1941, the foreign press reports.

The mine is worked by a British company, and some of the phosphate is imported into the United Kingdom for distribution to superphosphate manufacturers. Wide fluctuations are noted in exports, from 99,283,000 kilograms in 1938 to 64,072,000 in 1939; 6,047,000 in 1940; and 111,995,000 in 1941.

The phosphate rock in these mines was formed from ancient guano deposits.

Panama's Clay-Products Industry

Eight firms in Panama produced clay products having an estimated value of $956,000 in 1942. Heavy demands have been made on the industry by increased construction activity within the Republic and the Canal Zone.

In the type of construction that is suitable for the tropical climate of Panama, large quantities of clay products, including mosaic, roofing tile, and construction blocks, are used; and floors, walls, and roofs are often of tile. In laying foundations, extensive use is made of hollow concrete blocks.

To meet the demand for sanitary ware, and the needs of households and restaurants for such items as dishes, cups, and trays, the ceramic industry has also increased output in these lines.

Most of the materials used in the industry are obtained locally. It is necessary, however, to import chemicals and dyes, and the fittings for the sanitary fixtures.

Sierra Leone's Output of Industrial Diamonds

Plant facilities are being improved to maintain output of industrial diamonds in Sierra Leone, states the African press. Among the improvements is a portable railway track for transporting diamond-bearing gravel from the working face to the milling plant, 1½ miles distant.

Oils, Fats, and Oilseeds

Production in Argentina

Argentine edible-oil production for 1943 is estimated at only 112,000 metric tons, states an article appearing in a publication of the Chamber of Commerce of the United States of America in the Argentine Republic. Edible-oil output during 1943 from the principal oilseeds is forecast as follows: Sunflower-seed oil, 74,000 metric tons; peanut oil, 21,000 metric tons; cottonseed oil, 14,000 tons; rapeseed oil, 3,000 tons.

This sharp decline from the estimated 200,000 metric tons produced in 1942 is attributed to the intense drought which afflicted Argentina in recent months, and which caused a reduction not only in area planted but also in yield per acre. The area planted to sunflowers for 1942–43 is estimated at 674,000 hectares (1 hectare=2.47 acres), a drop of 10 percent from the 1941–42 area of 750,000 hectares, whereas the 1942–43 yield of sunflower seed is estimated at 350,000 metric tons, a drop of more than 53 percent from the 750,000 metric tons harvested in 1941–42.

The present high demand for sunflower-seed oil will be reflected in increased sowings for the 1943–44 season, it is stated. The total area planted is expected to reach about 1,000,000 hectares. On the basis of a harvest of 1 metric ton of seed per hectare, and an oil yield of 23 percent, production of sunflower-seed oil in 1944 would be roughly 230,000 metric tons. Production of cottonseed and rapeseed is not expected to change materially, but output of peanut oil may increase to 30,000 or 40,000 tons in 1944.

Tung-Oil Production in Argentine

The Argentine Minister of Agriculture, on May 5, 1943, appointed a committee to study the production, industrialization, and internal and foreign sales of tung oil. Heading the committee is the Under-Secretary of Agriculture, and other members of the committee include representatives of interested government agencies, as well as representatives of the cooperatives in the Territory of Misiones, and the tung-oil manufacturers.

Pointing out the growing importance of tung oil, the Minister of Agriculture stressed the advisability of encouraging domestic tung-oil production, and of increasing the tung-tree plantings in the Territory of Misiones and the Province of Corrientes where the tree thrives. In view of present restrictions on increasing the area planted to yerba mate in that section of the country, increased tung plantings take on added importance, he stated.

India's Oilseed Market Active

Considerable activity and strong demand, particularly at Bombay and Madras, characterized the Indian oilseeds market during the quarter ended March 31, 1943. Speculative buying and price increases went hand in hand, continuing the strong market trend which prevailed during the latter part of 1942. Increased local demand and consumption also helped support the rising level for most oilseeds. Purchases by the British Ministry of Food continued to be subnormal, because of the Ministry's unwillingness to pay the high prices ruling in India.

Peanut prices in Bombay rose to their high for the quarter on March 1, and thereafter declined somewhat. At Madras, quotations rose steadily during the period, and on March 31 were 45 percent higher than on January 1. Peanut-oil prices at Bombay advanced consistently during the quarter from 9 rupees, 4 annas ($2.78) to 10 rupees, 12 annas (3.23) at the end of the quarter, while at Madras they reached their high in the middle of

Vital Facts on Wood-Pulp Situation

Receipts of wood pulp by U. S. paper mills during the first 4 months of 1943 were 22 percent below the receipts for the same period in 1942, and may decrease to 25 percent below by the end of the year, the War Production Board announced a few days ago. Paper production probably will decline in about the same proportion.

The decline in receipts of wood pulp is approximately in line with expectations of the Pulp and Paper Division of WPB, and has been taken into account in estimates of the future paper supplies.

The greatest decline in receipts of this essential material for paper making was in the Lake States region, where it amounted to 45 percent; the Pacific Northwest was second; with a decline of 30 percent; the Appalachian region declined 21 percent, the South 14 percent, and the Northwest, 8 percent.

Recent reports from Canada indicate that Canadian production of pulpwood has also suffered a severe reduction, the cut of pulpwood for consumption by Canadian mils for the year ended April 30, 1943, being substantially below that of the preceding year. However, it is understood that Canada will deliver during the remainder of the year the 1,550,000 cords previously promised to U. S. mills.

The factor primarily responsible for the decrease in pulpwood production, in both the United States and Canada—it is pointed out by the Pulp Section of WPB—is a *shortage of labor in the woods.* This labor shortage is affecting the production of all forest products, as evidenced by a decline in lumber production, chemical wood, and cooperage stock.

It is the opinion of the Pulpwood Industry Advisory Committee, which is composed of representative producers from the major pulpwood regions, that the manpower shortage in the woods, and shortage of trucks, tires, and repair parts, will probably result in the decline in total U. S. receipts of pulpwood in 1943 by approximately 25 percent from those of last year.

The recent extension of the expiration date of "T" gasoline coupons to July 25, in 13 Eastern States, will reduce gasoline available for operating pulpwood trucks by about 40 percent and reduce woodpulp production in those States by about 32 percent, the advisory committee predicts.

Suggestions and recommendations on pulpwood transportation, procurement of truck parts, replacements, tires, and other problems have been made and will be communicated to the pulpwood industry by the WPB Pulp Section.

March, declining slightly toward the end of the month.

Although exports of peanuts from India have been greatly curtailed, compared with pre-war years, domestic demand has increased enormously. Peanut oil is being used to an ever greater extent for fuel and lighting purposes in place of mineral oils, and as a substitute for other edible oils, such as coconut, the cost of which is very high. This demand is not likely to diminish in the near future, and higher prices seem probable. The position of peanuts and peanut oil in the Madras and Bombay markets should be strong for some time to come.

The castor-bean price pattern at Bombay and Madras was much the same as for peanuts, although the rise was not so great in percentage. Castor-bean prices rose slightly at Madras and Bombay, but at Calcutta they fell off to a small degree. Increased local demand in conjunction with the poor yield from the 1942–43 castor-bean crop is expected to maintain prices at a high level.

The market for linseed was not nearly so active at Bombay and Calcutta as the market for peanuts and other oilseeds. It was reported that the British Ministry of Food was able to cover requirements with lower-priced seed from Argentina. Linseed futures reached their high point at Bombay toward the end of the first week in March and dropped thereafter. At Madras, prices fluctuated in January, reached the low point for the quarter at the end of February, and recovered during March. On March 31, prices registered a very small net gain over January 1 figures at both Bombay and Calcutta. Linseed-oil quotations at Bombay fluctuated within a narrow range during the period, but because of very good demand Calcutta mills were active and linseed-oil prices were more than 10 percent higher at the close than at the beginning of the quarter.

Along with other oilseeds, prices of rape and mustard seed at Karachi and Calcutta advanced during the period. Cottonseed at Karachi also exhibited a net advance. A good local demand featured the sesame-seed market in the Calcutta area, and at Bombay prices ruled steady with only minor changes. Coconut oil sold for about 12 rupees 8 annas ($3.75) per maund of 28 pounds throughout the quarter at Bombay, where it is reportedly being used as a lubricant for looms.

Use of Vegetable Oils as Lubricants in India

Finding it more and more difficult to import supplies of mineral oils, India is paying increased attention to the use of domestic vegetable oils—chiefly castor and rape—as lubricants.

At a recent meeting of the Transport Advisory Council, it was reported that of late there had been a marked tendency toward increased consumption of these substitute oils. India's present annual consumption of vegetable oils as lubricants was stated to be 8,000 tons of castor oil and 1,500 tons of blown rape oil by the railroads, and 6,000 tons in sugar and ginning factories and in oil, rice, and other mills. If vegetable oils were to be substituted for mineral oils in all applications for which they are suitable, 46,000 tons annually would be used.

Large-scale tests have been made of 100-percent vegetable-oil lubricants and of various blends. Well-refined castor oil has been proved a first-class lubricant for locomotives, the bearings of steam engines, and heavy gears. Blends of mineral oil and blown rape oil are used as axle lubricants for railway passenger cars and freight cars, and as marine-engine oils. Blends of mineral and peanut oil are used for the lubrication of compressors, gas engines, and looms. Coconut oil, also, is used for looms.

During 1941, arrangements were made to substitute 8,000 tons of castor and blown rape oils for mineral axle oils in the Indian railways. This utilization has absorbed practically all the available production of suitable castor oil.

Various blends of castor and rape oils have been tested in workshops and have given satisfactory results as lubricants for gears and bearings, and as cylinder oils for steam engines. Trial runs of over 2,500 miles by motorcars using blends of castor oil with either peanut or rape oil for lubricants have shown satisfactory results.

The petroleum companies, it is reported, are considering the possibility of marketing mixed blends of vegetable and mineral oils, for the production of which they are likely to need from 12,000 to 15,000 tons of castor and rape oils.

Sweden's Increased Oilseed Production

Normally, 50,000 or 60,000 tons of imported oils and oilseeds are consumed by the Swedish margarine industry, and 35,000 tons by the manufacturers of soap. In addition, about 30,000 tons of flaxseed are imported for the manufacture of linseed oil.

Before the war, Swedish production of oilseeds was insignificant, only a small quantity of white mustard being grown to fill the needs of domestic mustard manufacturers. Indeed, with peacetime trade routes open, domestic oils and seeds cannot compete with the more cheaply produced tropical products.

The Government, during the present emergency, has attempted to cover at least a small part of the country's vegetable-oil requirements by domestic production of oilseeds, and has done a great deal to promote such production by guaranteeing good prices in individual contracts made with the growers, and at the same time placing experts on oilseed cultivation at their disposal. Progress in this direction is reflected in the following table which shows the areas planted to oilseeds in 1941 and 1942 as well as estimates for 1943:

Swedish Oilseed Acreage[1]

Oilseed	1941	1942	1943 [2]
	Acres	*Acres*	*Acres*
White mustard	12,726	34,557	29,652
Winter rape	2,533	3,398	[3] 11,210
Spring rape		507	14,826
Flax	2,372	4,275	6,178
Poppy	2,372	1,779	2,471
Sunflower	25	104	37
Soybeans		91	12
Total	20,028	44,711	64,296

[1] Converted from hectares at: 1 hectare=2.471 acres.
[2] Estimated.
[3] Planted in the fall of 1942.

More than 75 percent of this acreage is located in the southernmost section of Sweden. Although white mustard so far has been the principal oil-bearing plant grown, domestic experts claim this production should be reduced and replaced with other oilseeds having a higher oil content. Experiments have shown that winter rape is a better oilseed, for it has an oil content of 40 percent, whereas white mustard yields only 23 percent. Poppy and spring rape give oil yields of

45 and 35 percent, respectively. Since winter rape provides a higher yield per acre than the other oilseeds mentioned, an increase in its production may be anticipated in coming years.

The area planted to winter rape for 1943 has more than tripled, compared with 1942, and plantings of spring rape also are expected to expand materially. Spring rape was introduced into Sweden last year, with good results, having yielded about 1,070 pounds per acre. The average yields per acre of white mustard, winter rape, flax and poppy are 980, 1,430, 890, and 715 pounds, respectively. Experiments with sunflowers and soybeans have shown that these plants are not suitable for cultivation in Sweden.

Forecasts made last summer indicated that the 1942 oilseed crops would yield 8,000 metric tons of oil and 13,000 tons of oilcakes. More recent estimates, however, revise the figures downward to 5,300 tons of oil and 12,000 tons of oilcakes. Of this total output, 5,000 tons represents edible oil, or roughly 10 percent of the normal requirements of the Swedish margarine industry. The 300 tons of linseed oil represent only about 3 percent of the usual annual requirements.

Paper and Related Products

Increased Use of Paperboard Containers in South Africa

Greatly increased production of paperboard containers in South Africa has followed the discovery of a process which makes this commodity airtight and generally able to withstand the peculiarities of the South African climate. Made from domestic raw materials, these containers preserve their contents against atmospheric conditions, keeping the goods as fresh and flavorful as when originally packed. All sizes, from one-fourth pound to 100 pounds, are in increasing demand.

U. S. Dept. of Labor

Railway Equipment

Portugal Receives Freight Cars From Germany

The first of an order of 200 freight cars has been delivered to Portugal from Germany, to alleviate the shortage of railway rolling stock, states a British railway magazine.

Rubber and Products

Manufacture of Synthetic Rubber in Switzerland

A new company, Gebanit A. G., of Buehler (Appenzell), has been formed in Switzerland to manufacture synthetic rubber and elastic products, states the foreign press.

Scientific and Professional Equipment

Imports Into Trinidad, B. W. I.

Scientific instruments and appliances, other than optical, imported by Trinidad in 1941 were valued at $208,232, the foreign press says. Imports from the United States were valued at $134,907—almost 65 percent of the total. Other leading suppliers were Canada ($44,601) and Great Britain ($26,273).

Shipbuilding

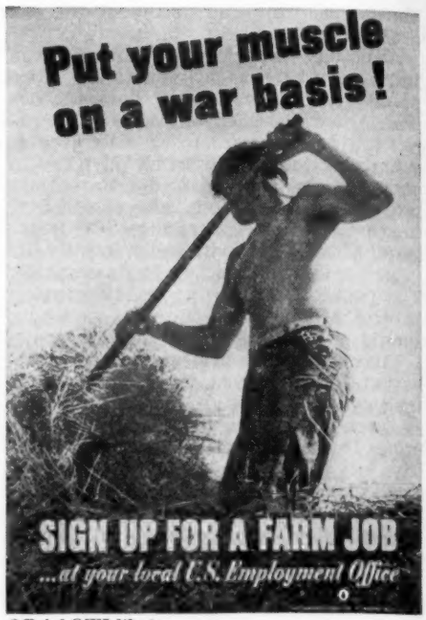
Canada Converts Cargo Vessels Into Oil Tankers

The conversion of cargo vessels to use as oil tankers is under way in Canada by the Government-owned Wartime Merchant Shipping, Ltd. One 10,000-ton cargo ship has been converted and four more are in process, the foreign press advises. Contracts have been awarded recently for three 3,700-ton oil tankers.

In addition, eight vessels have been built or converted as oil tankers by private companies since 1939.

Repair of Ships in Union of South Africa

Repairs to 6,428 ships have been made in South African ports in the past 2 years, making an average of 268 a month, according to a foreign trade journal. The number of ships repaired almost equals the number that entered Union ports in peacetime.



Official OWI Photo

A considerable number of the ships received major alterations, and there were many refits and conversions.

Textiles and Related Products

Acute Shortage of Materials in Croatia

Textiles are so precious in Croatia that no discarded articles are permitted to go to waste, states the European press.

Since April 1, cloth or wearing apparel made of wool, cotton, linen, and hemp may be sold only to customers who can turn in a stipulated quantity of used material.

When purchasing a pair of wool or cotton stockings, one old pair must be deposited; for each pair of silk or rayon stockings, two pairs of old ones must be given in exchange.

Textile Mill to be Established in Gold Coast

A loan for the establishment of a textile mill in the Gold Coast has been approved by the government, reports an African publication.

Rationing of Cloth in Society Islands

During April, citizens of Papeete, Society Islands, were given an opportunity to purchase cloth under a strict rationing system.

Adults could purchase up to 7 meters of cloth upon presentation of three ration stamps, and children were allowed a maximum of 4 meters for three stamps. Special stamps were issued for layettes. All sales were limited to the month of April only.

Merchants were instructed to submit to the government all coupons collected in the sale, as well as a declaration of their stocks at the end of the month.

South African Textile Plants Active

Textile plants in South Africa are busily engaged in supplying Allied forces, says a British publication.

Besides manufacturing Army blankets, the woolen industry produces 50,000 slouch hats a month. Some 15,000,000 yards of cloth are consumed yearly in the manufacture of 5,000,000 outer garments and millions of under garments.

Canvas for web equipment is being woven from imported cotton, but a spinning plant will soon be established for producing cotton warp. At least 50,000 tents and marquee awnings have been made.

Other factories supply 10,000 cork sun helmets monthly.

Cotton and Products

Production in Southern Brazil

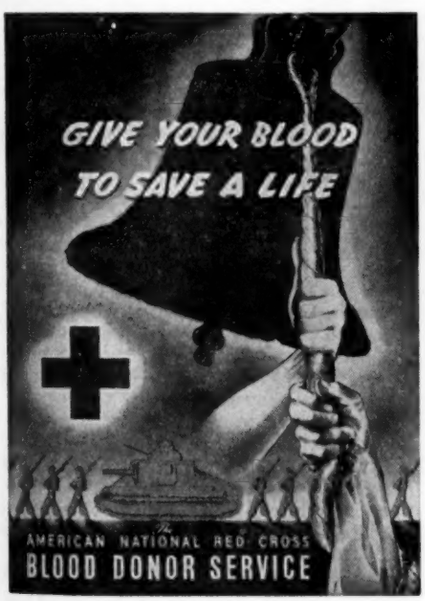
Favorable weather continued throughout April, and picking of the Sao Paulo cotton crop progressed satisfactorily. The 1942–43 crop is reported to be of a higher quality than that of last year.

Cotton is slow in arriving at ginning centers, as gasoline shortages make it impossible for most truckers to make more than one daily trip. In normal times 12 to 15 or more runs are made per day.

Exporters are increasing storage facilities because foreign trade is greatly retarded by shipping difficulties. A high-density press is being installed by one exporter, to compress the bales and thus save on storage space.

Final estimates of the Ministry of Agriculture place the 1941–42 crop of southern Brazil at 298,273 metric tons, made up as follows:

State	*Metric tons*
Bahia (Zona Sul)	812.8
Espirito Santo	290.0
State of Rio de Janeiro	3,500.0
Minas Gerais	6,729.6
Goyaz	275.5
Sao Paulo	282,665.2
Parana	4,000.0
Total	298,273.1



New Varieties of Cotton Developed in Egypt

Experiments sponsored by the Egyptian Ministry of Agriculture have recently developed two new types of long-staple cotton.

A British periodical reports that the new varieties are of excellent quality and will be known as "Asswani" and "Menoufi."

Production in Paraguay

Paraguay's 1943 cotton crop will yield between 17,000 and 18,000 metric tons of seed cotton, according to unofficial estimates. The 1942 crop aggregated 20,930.6 tons.

Unusually dry weather has tended to lower the yield, and, because of extreme heat, the staple is somewhat softer than usual. The quality, however, is much better than was at first anticipated.

Cotton is covered by a guaranteed price of 200 pesos per lot of 10 kilograms.

Spinning Mill Established in Southern Rhodesia

To encourage local manufacturing, the Government of Southern Rhodesia is reported to have imported machinery and set up a small cotton spinning mill last year. Reports also indicate that weaving mills will soon be established by private interests.

Spain's Cotton Industry

A concession to develop the cotton resources of the first cotton zone, located in the District of Seville, Spain, has been granted to several textile firms for a 10-year period.

One of the functions to be undertaken is the growing of an annual minimum quantity of cotton. The quota for this season is 3,100 bales (of 220 kilograms), to be increased by 400 bales annually, until a total of 6,700 bales will have been reached by 1952. Some 15,000 hectares of cotton have been planted in this zone during the present season.

Cotton experts consider the first zone, together with the third zone (location not indicated), as the most promising for development of a domestic cotton-growing and ginning industry. A cotton gin with capacity to handle 7,560 pounds of seed cotton per hour is to be installed. This would be an average production of 2,520 pounds of lint cotton per hour.

Synthetic Fibers

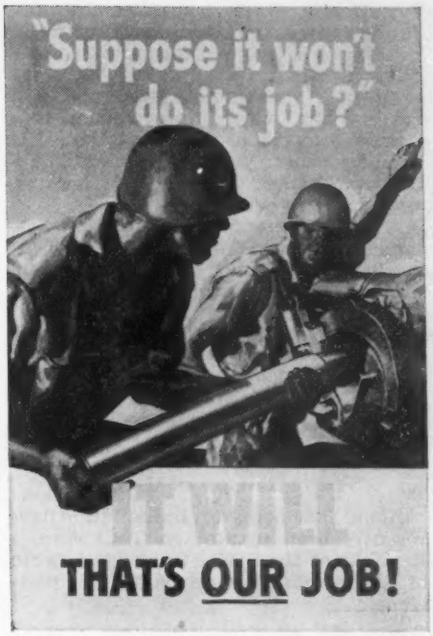
Rayon Manufacture in Spain

A modern factory is being erected by a new Spanish rayon company, created last year, in collaboration with a German firm, with a capital of 75,000,000 pesetas, reports an official German news agency.

At the suggestion of German technicians, a site of nearly 500 acres has been acquired at Miranda del Ebro, and the factory is being rushed to completion by some 16,000 workers.

Heavy Demand for Rayons in U. K.

Government orders for rayons remained heavy during April, tire yarn being particularly needed. Utility rayons were in strong demand but, like most clothing, they were subject to coupon restrictions.



Ordnance Dept., U. S. Army

Little yarn is available for nonutility goods. Weavers find raw-material supplies very low, and labor shortages also add to their difficulties.

Export trade is being maintained as far as possible, as reflected by figures published by the Board of Trade. Rayon-yarn exports totaled 4,425,000 pounds in the first quarter of this year, compared with 3,675,000 pounds shipped in the fourth quarter of 1942, and a like amount in the first quarter of 1942. Some 18,598,000 square yards of rayon piece goods were shipped abroad in the third quarter. This is somewhat less than the 22,822,000 square yards shipped in the preceding quarter, and is only about half the 35,851,000 square yards reported for the first quarter last year.

Miscellaneous Fibers

Kenya's Manufacture of Sisal Products

For the past several years, a growing proportion of Kenya's coffee has been transported in sisal bags, manufactured in East Africa from fiber grown and processed within that region, reports a British periodical.

The industry was begun on a small scale, but has developed steadily, receiving an unexpected impetus by war conditions. Now, sandbags for local defense, bitumized fabrics for military camps, ropes, and cordage have also been added to this domestic production.

Much satisfaction is felt over the ready adaptation of native workers to new industrial operations.

Use of Phormium Tenax Fiber in New Zealand

Phormium tenax, formerly regarded solely as a cordage fiber, is now being

manufactured in New Zealand into fabric for woolpacks and similar uses, as an alternate for jute normally imported from India.

At first the fabric rotted and split readily, but vast improvements have since been made, says an Australian textile journal. The fabric is standardized at 24 inches, thus reducing the average weight of each bale.

In 1936 about 25 percent of New Zealand's yearly requirements of 800,000 woolpacks was met by the domestic industry. By 1941 more than half of the country's needs were filled by the phormium mill, and 1942 saw a further advance.

A plot of 4,600 acres has been acquired by the Government for a phormium plantation, to increase raw-material supplies.

Jute Cultivation in U. S. S. R.

About 125 acres of Indian jute have recently been planted in Tajikistan, a Republic of the Soviet Union, just north of Afghanistan, reports a British periodical.

Tobacco and Related Products

Brazil 1943 Tobacco Crop

The current tobacco crop in Brazil is estimated at between 150,000 and 200,000 bales of 75 kilograms each. The quality is considered good. Stocks on March 31, 1943, totaled 105,870 bales.

Canada's Tobacco Imports

Tobacco entered for consumption in Canada during April 1943, as shown in an unrevised statement issued by the Canadian Department of National Revenue, consisted of 2,083,726 pounds of cut tobacco, 318,836 pounds of plug tobacco, 78,919 pounds of snuff, 986,666,102 cigarettes, 16,782,222 cigars, and 250,225 pounds of Canadian raw-leaf tobacco.

Excise taxes were paid on 646,332 cigars in April 1943.

Production in Chile

Chile's 1943 tobacco crop will amount to approximately 6,500,000 kilograms, according to official estimates. The acreage of 4,250 hectares planted to tobacco in 1942 for the 1942–43 harvest is considerably above the figure of 2,421.8 hectares sown to tobacco and the 4,389,756 kilograms harvested during the preceding year. (1 hectare=2.47 acres.)

Despite a particularly dry growing season, the plants appear to be in very good condition, as there has been sufficient water available for irrigating the crops in the principal producing regions.

Domestic leaf supplies the bulk of Chile's tobacco needs. Imports since the war have been chiefly from Cuba and the United States, although Brazil has recently supplied small quantities of leaf. Previously some tobacco was imported from the Netherlands Indies and Turkey. Exports of leaf and manufactured tobacco products from Chile are practically negligible.

Between 3,000 and 5,000 hectares are sown to tobacco in Chile each year, each hectare averaging about 1,900 kilograms of tobacco. The central Provinces of the country surrounding the capital city of Santiago constitute the principal tobacco-production area. The most important producing Province is Aconcagua, followed by the Provinces of Talca, O'Higgins, and Santiago. A very limited acreage is planted to tobacco in the Provinces of Valparaiso, Colchagua, Curico, and Maule.

Only three varieties of tobacco are now grown commercially in Chile. They are the Paraguay, Havana, and Virginia. Small quantities of Turkish and Maryland have been grown in past years, but neither of these types is being cultivated in Chile at present.

German Cartels—Their Evolution Under War Conditions

(Continued from p. 11)

chairman and his two deputies with the approval of the Minister of National Economy and appointed by the Reichsmarshal. The number of members of the board may be increased by the same procedure. The board of directors must be consulted in all important matters. Disagreements in the board are settled by the Minister of National Economy.

Certain Factors Unaffected

As in the case of the reorganizations in other industries, the new Reichsvereinigung for coal does not affect the private financial control of the industry or the dominance of the large sales syndicates. The status of the Rheinisch-Westfälische syndicate, which represents the distribution of probably more than 80 percent of the German coal output, or the Upper Silesian syndicate representing the distribution of most of the remainder, is unchanged except that their scope has been extended by the incorporation of some of the coal organizations in the occupied countries.

Organizations varying only in detail from those covering cement or coal, have been created for a number of industries, including hollow glassware, shoes, iron and steel products, and synthetic textile fibers. There is no doubt that if the war should last long enough all German industries of any importance to the war effort or essential for carrying out the planned post-war policies will be reorganized along the same lines.

Significance of Change

An attempt to interpret correctly the new trend in German industrial organization meets with the same difficulty that is involved in trying to evaluate other phases of Nazi economic policy. The difficulty lies in ascertaining the substance behind the ideological exposition. One part of the German press has been stressing the uselessness of the cartel under present conditions when the State is in full control of the economy and when the normal motives of private economic activity have presumably been replace by public interests.

The publications that have been specializing on interpretation of economic developments—for example, the Frankfurter Zeitung and the Deutsche Volkswirt—while admitting that there have been too many cartels and that some of them could be dispensed with, are inclined to minimize the degree of change in trend, and lay emphasis on the so-called principle of "self-government" which is claimed to characterize the new organizations. Some of the writers in the latter publications imply that the marketing principles of the cartel are not entirely displaced by the Reichsvereinigung, pointing out that the cartels have generally been taken over by the latter as subordinate organizations, and that the traditional cartel functions have merely been abandoned for the duration, in the same way as the whole principle of competition in markets.

At the same time, it is admitted that the status of the head of a Reichsvereinigung is practically that of a government official, the chief difference being, not in the scope of his functions, but only in the fact that it is an entrepreneur who performs them. The special meaning attached to the principle of self-government is shown in a definition of its function given by a writer in a recent issue of the Deutsche Volkswirt, which is "to find, within the limits prescribed by the government management of the economy, the best form in which the spirit and qualities of private enterprise can be utilized for public welfare." It is obvious that this definition differs considerably from what is generally understood by self-government in industry.

Pertinent Points

Some of the writers on the subject attach a great deal of importance to the fact that the State is calling in businessmen to perform public functions, and that, on the other hand, Government and Party men have gone into business enterprises. This is interpreted correctly as making for a closer relationship between business and Government, a situation which had prevailed to some degree in Germany for many years prior to the inauguration of the Nazi regime, and which also has developed during the war in the democratic countries.

Another point to which some importance is attached is the fact that in a few cases the Price Commissioner has turned over to a cartel the function of fixing the prices for a particular group of products. The case generally cited is the Ordnance of October 12, 1942, by which the cartel for tin containers is allowed to fix prices for some products on its own responsibility. It should be pointed out, however, that this transfer of power covers only products not mentioned in a rather comprehensive Schedule A, for which prices are fixed by the Price Commissioner, and that in the case of the other products prices must be fixed in accordance with a

prescribed system of cost calculation and are subject to verification.

In addition, this alleged transfer of authority should be considered in the light of the action by the Price Commissioner of July 27, 1942, by which all cartel-bound prices were ordered to be reduced by December 1, 1942, the cartels to propose the reductions. After that date all cartel prices not reduced, or with reductions not approved by the Price Commissioner, were to go out of effect. All cartels submitted reduced prices after somewhat difficult negotiations.

Rationalizing War's Compulsions?

In the light of the political technique of the Nazi regime, one is inclined to discount a large part of the ideological phraseology and to assume that it represents primarily an attempt to rationalize the action necessitated by the war emergency. To obtain the full cooperation of industry, it probably is advisable to make the businessman feel that he is still an important factor in the national economy and that he will regain some of his lost functions after the war. The fact that, on the whole, the Government has not made any attempt to interfere with the principle of private ownership, except in the case of Jewish enterprises or those belonging to refugees, has led some observers to the conclusion that the present movement represents merely an acceleration of economic concentration, and that the Nazi regime is too dependent on big business to make any serious attempt at socialization. The close relationship between a number of Party members and business is regarded as a proof of the correctness of that interpretation.

A more realistic view would be that there is nothing in the history of National Socialism to lead one to believe that the Nazi Government will hesitate to discard the German businessman if he should become superfluous, any more than it has hesitated in the cases of the other classes of the German population.

Interpretation Not Easy

The principal difficulty in arriving at a valid interpretation lies in the fact that the significance of this particular economic trend, like the whole future of the German economy, will be determined primarily by the outcome of the war. It is safe to assume that big business, if it still counts on a German victory, expects to play a very important part in the post-war Germany and has already taken steps to add to its importance by taking over the control of outstanding financial and industrial organizations in the occupied countries of Europe. Naturally, it is difficult to state whether the Nazi Government shares in this view. Whether, in a defeated Germany, it will be possible to convert the highly concentrated economy created during the war into a competitive economy and restore small- and medium-sized business to its pre-war status, is one of the outstanding decisions that will confront the victorious United Nations.

Latin American Exchange Rates

[NOTE.—Averages are actual selling rates for sight drafts on New York, in units of foreign currency, per dollar, with the following exception: Cuba—United States dollars to the peso. The peso of the Dominican Republic, the Guatemalan quetzal and the Panamanian balboa are linked to the dollar at 1 to 1; the Haitian gourde is fixed at 5 gourdes to 1 dollar.]

Country	Unit quoted	Type of exchange	Annual average rate		Average rate		Latest available quotation	
			1941	1942	Nov. 1942	Dec. 1942	Rate	Date
Argentina	Paper peso	Official A	3.73	3.73	3.73	3.73	3.73	May 6
		Official B	4.23	4.23	4.23	4.23	4.23	Do.
		Bid	4.88		4.94		4.94	Do.
		Free market	4.24		4.23		4.02	Do.
Bolivia	Boliviano	Controlled	43.38	46.46	46.46	46.46	42.42	May 17
		Curb	54.02	49.66	50.00	50.00	46.00	Do.
Brazil	Cruzeiro [2]	Official	16.50	16.50	16.50	16.50	16.50	May 7
		Free Market	19.72	19.64	19.63	19.63	19.63	Do.
		Special free market	20.68	20.52	20.50	20.50	20.50	Do.
		Curb	20.30					
Chile	Peso	Official	19.37	19.37	19.37	19.37	19.37	Mar. 31
		Export draft	25.00	25.00	25.00	25.00	25.00	Do.
		Curb market	31.78	31.75	33.87	33.72	33.85	Do.
		Free	31.15	31.13	31.10	31.10	31.10	Do.
		Gold Exchange	31.15	31.13	31.10	31.10	31.10	Do.
		Mining dollar	31.35	31.13	31.10	31.10	31.10	Do.
		Agricultural dollar	[3] 31.15	31.13	31.10	31.10	31.10	Do.
Colombia	do	Controlled	1.75	1.75	1.75	1.75	1.75	Apr. 3
		Bank of Republic	1.76	1.76	1.76	1.76	1.75	Do.
		Stabilization Fund	(4)	(4)	(4)	(4)	(4)	Apr. 8
		Curb	1.86	1.77	1.77	1.77	1.77	Apr. 3
Costa Rica	Colon	Uncontrolled	5.85	5.71	5.64	5.65	5.65	Apr. 30
		Controlled	5.62	5.62	5.62	5.62	5.62	Do.
Cuba	Peso	Free	.98	1.00	1.00	1.00	1.00	May 1
Ecuador	Sucre	Central Bank (Official)	15.00	14.39	14.10	14.10	14.10	Mar. 30
Honduras	Lempira	Official	2.04	2.04	2.04	2.04	2.04	Apr. 30
Mexico	Peso	Free	4.86	4.85	4.84	4.85	4.85	May 15
Nicaragua	Cordoba	Official	5.00	5.00	5.00	5.00	5.00	Do.
		Curb	5.93			5.05	5.05	Do.
Paraguay	Paper peso	Official		333.00	333.00	333.00	333.00	Apr. 30
Peru	Sol	Free	6.50	6.50	6.50	6.50	6.50	May 15
Salvador	Colon	do	2.50	2.50	2.50	2.50	2.50	Do.
Uruguay	Peso	Controlled	1.90	1.90	1.90	1.90	1.90	May 8
		Free	2.31	1.90	1.90	1.90	1.90	Do.
Venezuela	Bolivar	Controlled	3.26	3.35	3.35	3.35	3.35	Do.
		Free	[5] 3.76	3.45	3.35	3.35	3.35	Do.

[1] End of February.
[2] Under law of Oct. 6, 1942, the cruzeiro became unit of currency, replacing the milreis. Since Nov. 1, 1942, exchange quotations have been in terms of cruzeiros and centavos to the dollar.
[3] Established Mar. 25.
[4] For class 2 merchandise, 1,765; class 3, 1,775; class 4, 1,785.
[5] July 24–Dec. 31.

NOTE.—Special rates apply to automotive equipment and agricultural machinery imported from the United States into Argentina.

World Bristle Trade Faces Difficulties

(Continued from p. 13)

Distribution, by Brush Types

The following statistics show a typical distribution of bristle consumption among the principal types of brushes manufactured prior to the present war:

	Percent
Painters' brushes, including artists'	60
Toilet brushes, including shaving and tooth	15
Household brushes, including twisted-in-wire	10
Industrial brushes, including push-brooms	10
All other types	5
Total	100

Heightened Difficulties

Since in normal times our annual consumption of bristles approximates the net imports for the year, it is obvious that strict conservation measures are necessary to meet the greatly increased military and essential civilian requirements.

Even before the outbreak of war between the United States and the Axis, the movement of Chinese bristles was severely curtailed in consequence of the freezing of credits and the various trade and transport restrictions imposed by the Japanese with respect to occupied China's export trade.

Since our entry into the war, these difficulties have of course been heightened to the point that supplies of bristles, not only from China but from other countries as well, cannot be depended upon. Our imports will necessarily be confined to what can come through from China, the Soviet Union, British India, Persia, and Latin America.

Emergency Substitutes

There is no perfect substitute for hog bristles in the manufacture of paint and varnish brushes. As an emergency measure, other materials, such as horsehair and istle, are used in blends with

bristles in such brushes, but, unless great care is taken in the construction, the performance is not so good as that of a pure bristle brush.

Horsehair is ordinarily not used alone in the manufacture of the better grades of paint and varnish brushes, but a mixture of horsehair and bristle (with the bristle predominating) has proved satisfactory. Horsehair can be used alone or in combination with bristle in the manufacture of floor sweeps, counter and mill dusters, and many miscellaneous brushes.

Istle, a Mexican fiber, has unlimited possibilities in the manufacture of brushes other than paint and varnish brushes. There are grades for coarse abrasive brushes and for shaving brushes, with all qualities in between. Istle's greatest use has been in the manufacture of sweeps, scrubs, twisted-in-wire brushes, dusters, and numerous specialized types of brushes.

Nylon filament has for some time been used in the manufacture of industrial and toilet brushes, including tooth brushes, hair brushes, gun-cleaning brushes, and in 22 industries where durability is an important consideration, thus replacing hog bristles, horsehair, and the various fibers which are in short supply because of shipping difficulties. For many of these industrial uses it is claimed to be superior to the materials formerly used.

Synthetic Efforts Handicapped

A tapered nylon bristle filament has been developed and is being used in the production of paint brushes. All this filament, however, will be reserved for paint brushes for military use. Until the production of nylon polymer—the raw material from which the filaments are made—can be greatly increased, sufficiently to provide a large surplus after the military requirements for parachute webbing and other important war needs are met, none will be available for civilian brushes.

A plastic-coated textile filament also shows great promise as an alternate material. However, some of the raw materials needed in its production are scarce. Other types of synthetic filaments which work satisfactory in paint brushes have been developed, but all require some raw material that is in relatively short supply.

To sum up, it would appear that, for all practical purposes, horsehair, istle, nylon, and synthetic filaments can be utilized to replace hog bristle in many applications.

One great difficulty with the employment of any of the aforementioned substitutes, however, is the fact that they, too, are subject to restrictions either because of shortage of supply or shipping and import difficulties.

Salvaging for Re-Use

In the salvaging for re-use effort, at least one large company and numerous individuals are buying up old paint brushes, removing and cleaning the bristles for re-use. Bristles are not injured by use and can be used in shorter brushes when they wear down. Another paint-brush manufacturer is reclaiming old paint-hardened brushes by cleaning them and sending them back to the painting contractor for re-use. This can be done only in cases where the bristle has not worn down too far to make a workable tool. In this manner not only are hog bristles saved, but other scarce material, labor, and manufacturing effort as well.

While conservation of paint brushes by painters is especially important, civilians can participate in the program by taking good care of paint brushes, tooth brushes, and hair brushes.

Phosphate Rock in French North Africa

(Continued from p. 8)

the only significant quantities of phosphates to non-European countries—principally South Africa, Australia, New Zealand, and Japan.

North African Mining Methods

The mining of phosphate rock can rightly be classified as a major industry in the three French North African countries. The actual mining of the rock is relatively simple. Natural phosphates vary greatly in their hardness from typical hard rock or boulder-like material represented by Florida hard rock to soft friable material. The North African rock is as a rule of the soft variety. It occurs in veins or layers of varying extent embedded in limestone, clay, or flint. The deposits are generally located in rugged country at various depths below the surface. In places, the material is near enough to the surface to be mined by the strip method, but the general practice is to enter the mines by horizontal shafts from ravines. The phosphates are either blasted out or extracted entirely by pick and shovel, as in Morocco. The corridors are extended fanwise from the main room and the walls propped up as the phosphates are removed. When a corridor is worked out, the props are knocked out and the roof is allowed to cave in.

The phosphate is hauled from the mine by mule-drawn, cable, or tram cars. It need not be washed (the customary procedure in the United States) but is roughly screened to remove the limestone, clay, and flint particles and is then dried. The North African rock contains 8 to 12 percent moisture, which must be reduced to about 2½ percent before marketing. After drying, the impurities may be more completely removed. When dry, the phosphates resemble fine running sand, grayish to brown in color, depending on the content of impurities.

Mechanization and Labor

The mining procedure may appear primitive, but the equipment for handling, loading, and storing the phosphates is largely mechanized. The rather extensive mechanization was undertaken partly to offset the somewhat uncertain native labor situation. During poor years for crops, there is generally a surplus labor supply in North Africa, while during more favorable years the workers are inclined to desert the mines for farming. The number of workers employed by the mining companies has fluctuated greatly. In 1930, phosphate mining gave employment to nearly 13,000 in Tunisia, more than 6,000 in Morocco, and perhaps 3,000 in Algeria. From 80 to 90 percent of the workers are natives, the remainder are Europeans in official and supervisory positions.

The Office Cherifien in Morocco had employed prison labor until 1930, when free native workers were first hired at an average wage of 7 francs a day. The Office has reported that cost of production with the most extensive mechanical operations is higher than with the greater use of native labor. Algeria, with a smaller output than that of Tunisia or Morocco, appears to have had a greater surplus of laborers than the other two countries. In 1935–36, new labor legislation enacted in France was expected to have some effect on the situation in North Africa, but little seems to have materialized, particularly with respect to native labor. Such workers appear to be controlled largely by the local governments.

Railway and Port Facilities

The mining and exportation of the phosphates have given the railroads a large share of their business, particularly on the lines between the Gafsa region and Sfax in Tunisia and between Kouribga and Casablanca in Morocco. When the industry was operating at its height, more than 2,000,000 tons of rock a year were moved over the Tunisian line and a million or more in Morocco.

Extensive and modern facilities have been built at the main ports of Sfax and Casablanca for unloading cars and loading vessels, as well as for storage. Three groups of electrically operated belt conveyers, each with a loading capacity of 400 tons an hour, were in operation in 1930 at the Tunisian port, and plans were made for enlarging these facilities. Loading capacity at Casablanca was reported at 2,000 tons an hour in 1936. Smaller but equally modern facilities have also been constructed at the ports of Sousse, Tunis, Safi, Bone, and Bougie.

Société Tunisienne

Just before the war, the chief producers in Tunisia organized a company under auspices of the government known as "Société Tunisienne d'Études de Cooperation et de Defense de L'Industrie Phosphatière" whose chief objective is to conduct technical research for the enrichment of the Tunisian phosphates. Recognizing the greater demand for the higher-grade phosphates and the competition from the Moroccan product, the organization hopes to upgrade the rock by flotation or other methods of purifi-

cation so as to market a material containing 80 to 85 percent B.P.L. Another attempt to increase the sales of phosphate rock was made by the "Comptoir des Phosphates d'Algerie et Tunisie" in 1938 when it sought to draw up agreements for reallocation of foreign markets.

Nazi Irruption

Before results of these efforts could be judged, the march of the Nazis had begun, and international trade was given a severe setback. No official statistics on the production and exportation of phosphate rock from North Africa have been released since 1939, but various reports from what are believed to be reliable sources during 1940–41 indicate that the producers were struggling along at about 50 percent of normal capacity. The condition of the industry was reported as very unhealthy, but hopes were expressed that it could survive until conditions improved. The effect of the war on the movements of the rock has already been discussed.

Efforts were made in Morocco to increase local consumption of the rock after foreign trade had been curtailed. However, production of superphosphates has not been able to keep pace with local demands because of inability to secure other raw materials and fuel. The shortage of fuel has also caused a change of procedure for drying the rock in Morocco. Before the war, 90 percent of the phosphates produced were furnace-dried; the remaining 10 percent, sun-dried. In 1942, however, facilities had been set up for sun-drying more than half a million tons during the year.

Outlook for Future

Immediately after the Allied occupation of North Africa, the "Comptoir des Phosphates de l'Afrique du Nord" was formed in Vichy for the purpose of looking after the interests of the phosphate industry in the African colonies. The industry had been represented in Vichy by representatives from the colonial administrations of Algeria, Morocco, and Tunisia. Particular activities to be undertaken by the new organization included control over markets and prices, regulation of sales, investigation of new deposits, opening of new regions, and modernization of production methods. The present military and political situation will unquestionably prevent any results being realized by "Vichy." However, the program outlined emphasizes the responsibility of the United Nations for cooperation with the French authorities in North Africa to insure the welfare of the industry during these trying times.

When peace is restored on the European continent, the North African producers should be in a position to capitalize on the expanding markets for fertilizer which will be needed for growing crops to feed the starved, war-ravaged nations.

TABLE II.—*Destination of North African Exports of Phosphate Rock, 1925, 1930, 1938*

[In metric tons]

Country	1925			1930			1938		
	Algeria	Morocco	Tunisia	Algeria	Morocco	Tunisia	Algeria	Morocco	Tunisia
France	207,673	145,540	1,012,307	206,741	314,078	1,041,400	147,287	145,606	465,634
Italy	109,974	47,662	753,697	59,450	228,632	412,441	.....	409,140	485,835
Great Britain and Ireland	101,589	35,555	210,159	100,018	74,946	280,792	83,039	96,502	227,442
Germany	105,019	74,624	81,750	143,480	142,803	155,565	127,492	138,227	60,796
Netherlands	114,680	96,047	92,414	28,735	185,318	158,448	6,154	171,128	105,844
Spain	68,592	145,538	122,146	65,801	332,860	131,760	.....	29,992	148,510
Belgium	18,632	25,100	218,470	16,086	22,780	248,726	2,032	65,392	54,326
Denmark	6,869	60,244	.....	.....	146,382	9,756	.....	154,872	13,538
Portugal	.....	2,068	48,451	.....	16,355	97,649	.....	39,283	72,484
Poland and Danzig	12,110	8,406	.....	62,271	3,224	36,400	25,700	33,704	11,045
Czechoslovakia	.....	34,896	.....	20,654	29,923	12,418	25,424	12,327	4,189
Yugoslavia	.....	6,713	.....	23,466	3,359	2,940	2,315	1,980	.....
Austria	.....	3,400	.....	.....	.....	2,514	3,191	.....	5,208
Hungary	.....	3,000	.....	.....	19,797	350	8,109	9,781	.....
Sweden	7,294	.....	9,249	6,527	3,812	10,146	2,642	.....	6,600
Norway	.....	5,840	.....	.....	11,400	.....	.....	14,643	.....
Finland	.....	.....	.....	.....	3,400	.....	.....	.....	.....
Latvia and other Baltic States	.....	3,364	.....	4,698	12,570	.....	29,697	6,678	.....
Switzerland	.....	7,571	.....	4,456	5,445	1,470	1,534	1,684	873
Rumania and Greece	.....	.....	22,262	9,445	2,049	26,068	3,400	.....	16,608
Soviet Union	.....	.....	1,929	.....	41,755	.....	.....	.....	.....
South Africa	(1)	(1)	(1)	.....	44,511	.....	229	74,479	.....
Australia and New Zealand	(1)	(1)	(1)	.....	73,957	.....	.....	.....	.....
Japan	(1)	(1)	.....	.....	31,313	.....	.....	20,016	.....
United States	(1)	(1)	(1)	.....	6,035	.....	.....	.....	.....
Other	3,900	(1)	(1)	.....	4,100	.....	4,172	1,163	.....
Total	756,332	705,568	2,572,834	751,828	1,760,984	2,628,843	472,417	1,426,597	1,478,932
Shipments in North Africa[2]	3,765	(1)	(1)	55,299	18,196	33,253	80,463	20,947	132,774

[1] Not available.
[2] Includes sales in country of origin as well as exports to other North African countries for consumption or reexport.

Source of data: 1925, official statistics; 1930 and 1938, Phosphate Export Association.

Our Free Enterprise Gives More Social Gains Than Any Other System

Contributors' Column

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Donald S. Parris ("World Bristle Trade Faces Difficulties"), an Economic Analyst in the Bureau of Foreign and Domestic Commerce, is a native of Glen Burnie, Md. His secondary education was obtained at Harpers Ferry High School, and in 1929 the University of Maryland conferred on him the A. B. degree in Business Administration, with majors in English, economics, and mathematics; in that same year he attended Teachers College at Columbia University. After teaching mathematics and general science in Delaware public schools, and being principal of Hartly School in that State for 3 years, Mr. Parris entered the Government service with an appointment to the Bureau of Foreign and Domestic Commerce at Washington in 1935. Later he served on temporary appointments in the Census Bureau and other Government agencies, returning to this Bureau in 1938. He is the author of the monographs "Latin American Handicraft," 1940, and "World Production and Trade in Sponges," 1941.

Confiscation of Radio Sets in Netherlands Indies

The Japanese-operated Macassar radio, in a Malayan broadcast monitored by the U. S. Foreign Broadcast Intelligence Service on May 19, issued another warning to Indonesians to turn in their radio sets or face "severe punishment."

"Investigations inform us," the Macassar radio said, "that there are still people who have not yet turned in their radio sets to the authorities. We again warn all people that those who still have and hide radios must return them at once under penalty of severe punishment."

Attempting to counteract Allied broadcasts, the Japanese have been seizing radio sets in all occupied areas. For dissemination of their own news and propaganda, the Japanese have installed public-address systems in the streets of cities and towns, recent Tokyo broadcasts disclosed.

Trade Mark Applications

Argentina.—The following applications for trade-mark registration were published in the Boletin Oficial of May 26, 1943. Opposition must be filed before June 28, 1943.

Trade-mark	*Class number and commodity*
Vassar	No. 15—Entire class.
Orleans	No. 10—Entire class.

Chile.—The following applications for trade-mark registration were published in the Diario Oficial of Santiago. Opposition must be filed within 30 days from the date of publication.

Trade-mark	Class number and product	Date of publication
R. L	No. 4—Metals, locksmith work, ironmongery.	June 1, 1943
Sunset-Dyes, Arrebol.	No. 20—Adhesives, paints, varnishes, pastes.	Do.
R. L., Sema	No. 36—Machinery and vehicles.	Do.
R. L., Sun Flame, Glasbake, Leon.	No. 41—Receptacles and vessels of glass, china, and porcelain.	Do.
R. L	No. 48—Lacework, buttons, etc.	Do.
Tru-Poise, Vanitred, Brannock, Selby, Art-Pal Toflex, A. P., Brogandi.	No. 50—Footwear	Do.
Revilo Hats, Dandy, Boston, Pacific, Picard, Piccadilly.	No. 51—Hats	Do.
Avon	No. 57—Perfumed products and toiletries.	Do.
San	No. 70—Special food for animals and birds.	Do.
Gastron Winthrop, For, Max, Corfedrol, Blankit, Facsimil (2 etiquetas), Brenol, Praxone, Niazo, Sorena, Evicyl Winthrop, Cremovan, Burroughs Wellcome & Co. (U. S. A.) Inc., Borofax, Vaporole, Stipolac, Infundin, Empirin, Oravax, Fenarsina, Prixal, Micraforma, Facsimil, Abexan, Hipoloid, Kafrenal, Bensoc, Pava-Pepsin.	No. 75—Chemical and pharmaceutical products.	Do.
Trimz, Air Conqueror, R. L.	No. 81—Writing materials, pens, printed matter but not periodicals.	Do.

Colombia.—The following applications for trade-mark registration were published in the Diario Oficial on the dates noted. Opposition to the registration of these trade-marks must be made in Colombia within 30 days from the date of the third and last printing.

Trade-mark	Commodity	Date of publication
Aurora	Pharmaceutics, drugs, perfumes, toiletries, disinfectants, and extracts.	1943 May 11 (second printing).
Yodobismuth Erce, Suero Vital Erce, Biocholine, Bacte-Peace, Staenoxyl.	Pharmaceutics, drugs, veterinary products, perfumes, mineral water, and related products.	1943 May 11 (second printing).
Hemafer	Pharmaceutics, drugs, and similar products.	Do.
Dargil	Commercial name for store, as well as for pharmaceuticals, drugs, toiletries, veterinary products, etc.	Do.
Moderna	Biscuits, breads, pastries, and related products.	Do.
Cirasol	Pharmaceutical preparations, toiletries, drugs, perfumes, and like manufactures.	Do.
Mecca, Iris, Victor, Good Luky, Ultijos, Competidores.	Cigars and cigarettes	Do.
Laboratorio Progan.	Veterinary products	May 19 (third printing).
Eliot Mops	Mops and cleaning essentials.	Do.
Royaltex	Fabrics	Do.
Animosal	Veterinary products, pharmaceutical preparations, toiletries, drugs, perfumes.	Do.
Colsales	Pharmaceuticals, drugs, toiletries, perfumes, veterinary products, extracts and soaps. Stores, clubs, and associations.	Do.
Gran-Match	Billiard, bowling and game accessories and equipment.	Do.
Drogueria Nueva.	Commercial drug houses.	Do.
Arco	Coffee	Do.
Nil	Pharmaceuticals	May 19 (third printing)
Isolit	Electric and construction accessories.	Do.
Lubellca	Footwear	Do.
El Millonario	Cigars, tobacco, cigarettes.	May 4, (first printing)
Vita Pel	Chemicals, pharmaceuticals, toiletries, perfumes, products for skin hygiene.	Do.
C. G. I. T	Textiles	Do.
Santa Barbara Aposentos Puerace.	Various articles of foodstuffs; plants and trees.	Do.
Sim	Ceramics, bricks, construction materials.	Do.
Baby	Infants' and children's wear	Do.
De Janet	Elixirs	Do
Chateau Teleki	Berry wines	Do.
Arbeco	Chemicals; industrial, agricultural, horticultural; insecticides, tanning extracts, pest exterminators, drugs, pharmaceuticals, and many others.	Do.
Jabon Vecetal Climpia.	Soaps	Do.
Alkamforeato	Salve	Do.
San Jose	Commercial name for hotels, bars, cafes, restaurant, boarding houses, and clubs.	Do.
Star	Shoes and other footwear and accessories.	Do
Uralca Kalil	Pharmaceuticals, drugs, veterinary products, toiletries, mineral water, wines, and tonics.	Do.

Dial telephones are now used by approximately 95 percent of the subscribers in Lisbon, Portugal, a foreign technical periodical relates. Lisbon has 79 exchanges.

More Commodities Now Under Import Restrictions

Additional commodities have been placed under the import restrictions of General Imports Order M–63, as amended by the War Production Board. The amendment also effects changes in the lists of commodities controlled by the order and clarifies the heading and footnote attached to the lists.

Dehydrated vegetables were added to List I of the order, under which authorized imports may not be disposed of or processed except as directed. Control is necessary because of the large quantities of dehydrated vegetables needed for military, civilian, and Lend-Lease purposes.

Hardwood and softwood logs and lumber, including Spanish cedar, prima vera and fir and pine, also have been placed under control. Heavy imports due to war conditions have caused a drain on the Mexican lumber supply, interfering with essential construction and maintenance activities in that country. Control will also relieve the present congested condition of Mexican railroads. Spanish cedar and prima vera have been placed on List I. Fir and pine logs and lumber are under control of List II, which controls importation, but does not regulate distribution of authorized imports.

Palmyra fiber, palmyra stalks, and bassine, used chiefly in the manufacture of brushes, were added to List I, so that use of the fibers may be properly directed to meet the heavy demand of the Army and Navy. A conservation order restricted the general use of these fibers is in process.

Live, dressed, and undressed turkeys, chickens, and guinea hens were placed under the import controls of List III. A large quantity of Argentine poultry is believed available in consequence of the fact that Great Britain is not a buyer this year. Contracts for a limited tonnage of turkeys have already been placed by private importers, but their purchases have been limited to the smaller birds because they could not sell the larger ones profitably at ceiling prices. The available surplus of poultry will be purchased by the Commodity Credit Corporation under a public purchase program. Exemption from control will be allowed poultry already contracted for by private importers.

The amendment removes ponyskins from import restrictions, which limited shipments from Argentina. Administration of control involved an immense amount of work, which was not thought warranted by actual shipments, which just barely exceeded the established Argentine quota.

The following changes also were effected by the amendment:

Manila (abaca) fiber manufactures and products and unmanufactured raffia were added to List II, and agave manufactures, including sisal cordage, were removed from List II and shifted to the more rigid control of List I.

U. S. Export Control and Related Announcements

Developments communicated to the Trade Controls Unit up to Tuesday, June 15, 1943:

No. 467—*Current Export Bulletin No. 100.*

The Office of Exports has issued Current Export Bulletin No. 100 on the following subject:

HOW TO SEND PARCELS TO PRISONERS OF WAR AND INTERNED CIVILIANS

I. American Red Cross to Handle Packages.—Beginning June 10, 1943, gifts to all prisoners of war held by the enemy, regardless of the nationality of the prisoner, may be sent through the American Red Cross. The Red Cross is prepared to send standard gift parcels, and local chapters of the Red Cross will accept orders for sending these parcels to all war prisoners, and to internees held in enemy-controlled territories. The provisions for handling these parcels are outlined below. (See section VI.)

Persons wishing to send packages to prisoners of war held by the enemy should bear in mind that the American Red Cross is the only channel through which packages may be sent to all such prisoners who are not citizens of the United States or of British Empire countries. The Red Cross may be used also for United States and British Empire citizens who are prisoners; with all other nationals other than United States or British Empire, the Red Cross must be used.

II. *Parcel-Post Packages.*—For United States and British Empire citizens who may be prisoners of war or internees held by the enemy, the Board of Economic Warfare provides the *alternative optional method* of parcel-post packages under General License G–PW–2. No document of express permission is necessary for shipments by mail of parcels to such United States or British Empire citizens held by the enemy, provided these shipments conform to the provisions set forth below. (See section VII.)

III. *Gifts to Enemy Nationals in Prison Camps.*—Residents of the United States wishing to send gift packages to *enemy aliens* who are prisoners within the United States or its possessions, may send packages through regular mail channels without a BEW license, but such parcels will be censored by the military authorities at the camp in which the prisoner is held. *No parcel-post shipment may be made to an enemy national held prisoner in any camp outside of the United States or its possessions.*

IV. *Gifts of Books or Tobacco Products.*—Special arrangements have been made to permit the sending of books and tobacco products. These go as separate parcels and the procedure outlined in section VIII of this Bulletin must be followed.

V. *Number of Gift Parcels Restricted.*—Whether sent through the Red Cross or as parcel post, only one gift parcel other than books or tobacco may be sent to each prisoner or internee within each calendar 60-day period. When senders use the standard Red Cross gift package, such a package takes the place of any package the sender might pack himself, and *only one package* is permissible to each prisoner or internee every 60 days, whether it is the standard Red Cross gift package, or a package packed by the sender and sent parcel post.

VI. *How to Send Gifts Through Red Cross.*—Residents of the United States wishing to send gifts to prisoners through the Red Cross should do the following:

1. Place orders for gifts with Red Cross Chapter located in the city or town in which the sender resides. This is called "Local Red Cross Chapter."

2. Pay to the Red Cross $3.50 to cover the cost of the items and expenses of sending a standard Red Cross gift parcel (weighing 11 pounds).

3. In the case of gift parcels to citizens and members of the armed forces of the United States and the United Kingdom who are interned in enemy-controlled territory, the sender must deposit with the local Red Cross Chapter the official label issued by the Provost Marshal General's Office. (See section VII, paragraphs 3a and 3d.)

4. In the case of gift parcels to prisoners or internees who are citizens or members of the armed forces of the British Dominions and Colonies, the sender must deposit with the local Red Cross Chapter the official label or other authorization issued by the appropriate agency of the British Dominion or Colony of which the prisoner is a citizen. (See section VII, paragraph 3e.)

5. In the case of gift parcels to citizens or members of the armed forces of France, Poland, Yugoslavia, and Belgium interned in German or German-occupied territory, the next of kin must deposit with the local Red Cross Chapter a label issued by the German authorities to the prisoner or internee to whom the gift is to be sent. (These labels are forwarded by the prisoner or internee to the next of kin.)

6. In all cases where the gift parcel is sent to a prisoner of war or civilian internee, who is not a United States or British Empire citizen, the sender must give satisfactory proof that he is next of kin (nearer than first cousin) of the prisoner or internee to whom the gift is to be sent.

7. The Red Cross will send the gift package and show the name of the person making the gift.

Due to lack of transportation facilities to the Orient, labels for prisoners of war and civilian internees in the Orient will not be issued at this time. When it becomes possible to send gift parcels to Japan and Japanese-controlled territory, a procedure for sending such gifts will be announced.

VII. *Parcel Post Gifts to Prisoners and Internees (General License G–PW–2).*—The following procedure may be used only for sending gifts to United States and British Empire citizens who are prisoners of war and internees held by the enemy. This procedure is optional with the sender and is known as General License G–PW–2 and is applicable only to the commodities listed on pp. 3, 4, and 5.

1. In compliance with postal regulations, each gift parcel must not exceed 11 pounds gross weight or dimensions of 18 inches in length or 42 inches in length and girth combined.

2. The contents of each gift package must be listed on a Post Office Department Customs Declaration (Form No. 2966), to be filed at the time of mailing. In the event the local post office does not have a Customs Declaration available, the contents may be listed on a piece of paper and this list attached to the parcel.

3. An official label furnished by the U. S. Provost Marshal General's Office or a certification or label furnished by an appropriate agency of the British Dominions or Colonies must be affixed to the outside of the gift parcel. Otherwise the parcel will not be accepted by the U. S. Postmasters. Where labels are issued in duplicate, the duplicate label must be placed inside the parcel. *Under no circumstances must this label, or its duplicate, be forwarded to the Board of Economic Warfare.*

Labels for U. S. Military or Civilian Prisoners Held by the Enemy

a. The Provost Marshal General's Office has a list of United States war prisoners and nationals of the United States interned by the enemy and will issue official labels without request to the next of kin or designated beneficiary of such prisoners and internees.

b. The official label must be properly filled out by the sender in accordance with instructions. It may be transferred to any individual other than the one to whom it is issued but the individual actually sending the gift must write his name in the space provided.

c. The label will bear the name and address of the prisoner or internee, a "parcel number" assigned by the Provost Marshal General's Office and the general license symbol G–PW–2. It will state the calendar sixty-day period in which it may be used under this general license.

Labels for United Kingdom Military or Civilian Prisoners Held by the Enemy

d. The British Red Cross will furnish to the U. S. Provost Marshal General's Office a list of persons residing in the United States who are next of kin or designated beneficiaries of citizens and members of the armed forces of the United Kingdom held in enemy-controlled territory. The U. S. Provost Marshal General's Office will furnish an official label in duplicate without request to the designated next of kin and beneficiaries on the list. Regulations governing shipments to U. S. prisoners of war and civilian internees shall be followed.

Labels for Canadian Military or Civilian Prisoners Held by the Enemy

e. The Canadian Red Cross will furnish labels without request to persons residing in the United States who are next of kin or designated beneficiaries of Canadian prisoners and interned civilians. The method by which labels or certificates will be furnished persons residing in the United States for gifts to prisoners and internees of New Zealand, South African, Australian, Indian, and other British Dominion and Colony nationalities will be announced by a supplemental bulletin as soon as details have been worked out with the governments concerned.

4. In every case the gift must be sent via parcel post and the sender of the gift parcel shall write in ink under the address the following, if it is not printed on the official label: "General License 'G–PW–2' VIA NEW YORK, NEW YORK."

5. Gift articles shall not be packed in (1) glass containers, (2) hermetically vacuum or soldered sealed tins, or (3) collapsible tin tubes (such as shaving creams or tooth paste tubes). Except as to books for which there is a special provision, no gift package shall contain any written or printed matter.

6. *a.* As used in this Bulletin a "designated" prisoner or internee means a specifically named person at a specifically named address.

b. As used in this Bulletin a "beneficiary" is a person, other than next of kin, designated by the prisoner or internee as the person entitled to send such prisoner a gift parcel.

c. As used in this Bulletin a "civilian internee," "interned civilian" or "internee" means a nonmilitary person held by a warring nation under conditions similar to (analagous with) prisoners of war.

7. Except for books or tobacco, only one parcel may be sent to each prisoner or internee within each calendar 60-day period. Gifts of tobacco and books are subject to special provisions outlined below (See section VIII below.) The only articles other than tobacco and books that may be included in gift parcels sent under General License G–PW–2 are the following:

Smoking Accessories

Tobacco pouches.
Pipes.
Cigarette holders (except paper).

Cigarette cases (nonmetallic).
Pipe cleaners.

Toilet Articles

Washing powder.
Medicated soap.
Bath soap.
Towels, bath and face.
Mouth washes and dentfrices (non-liquid).
Wash cloths.
Shoe polishing cloth.
Toilet kits.
Tooth powder (in nonmetallic containers).
Tooth brushes.
Shoe brushes.
Combs (nonmetallic).
Brushes, scrubbing.
Hairbrushes (nonmetallic).
Clothing brushes.
Safety razors.
Safety razor blades.
Shaving brushes.
Non-breakable shaving mirrors.
Talcum powder (in nonmetallic containers).
Styptic pencils.
Shaving soap cakes and powder.
Small metal mirrors.
Women's toilet articles except liquids (in nonmetallic containers).
Cleansing tissues.
Toilet paper.
Camphor ice (cardboard containers).
Sanitary supplies for feminine hygiene.
Orange sticks.

Items for Children

All kinds of clothing and shoes.
Crayons.
Small indestructible wooden toys and games.

Sports and Games

Playing cards.
Backgammon.
Checkers and other similar board games.
Chess.

Sports and Games—Continued

Cribbage.
Chinese checkers.
Puzzles and games.
Ping pong or table tennis sets.
Softballs.
Baseballs.
Medicine balls.
Footballs.
Softball or baseball gloves.
Poker chips.
Dice.
Dominoes.
Horseshoes.
Miniature bowling.
Miniature golf.
Jump rope (individual type).
Boxing gloves.
Soccer ball.
Volley ball.

Clothing

Athletic clothing and shoes.
Socks.
Sock supporters.
Belts.
Shirts (regular Army or Navy if prisoners of war) (khaki color only to members of the Army or Navy who are prisoners of war in Italy).
Slacks (regular Army or Navy if prisoners of war) (khaki color only to members of the Army or Navy who are prisoners of war in Italy).
Underwear.
Gloves.
Handkerchiefs.
Mufflers.
Sweaters (khaki color only to members of the Army or Navy who are prisoners of war in Italy).
Shoes (military types only to prisoners of war in Italy).
Shoe laces.
Insoles.
House slippers.
Overshoes (rubbers).
Bathrobes.
Pajamas.
Nightgowns.
Suspenders.
Neckties (only service ties for prisoners of war).
Bathing suits.
Women's wool hose.
Officers' blouses.
Women's blouses.
Overseas caps.
Skirts.
Dresses.
Ribbon.

Miscellaneous Items

Chewing gum.
Shoe polish in tins.
Toothpicks.
Nail clippers.
Wallets.
Mending kits.
Small mending scissors.
Sewing kits.
Shoe repair leather and nails.
Buttons (nonmetallic).
Hair clippers.
Vitamin tablets in cardboard containers.
Safety pins.
Standard phonograph records and needles.
Watches (low priced).
Eyeglasses (securely packed).
Service insignia (for prisoners of war).
Religious emblems.
Fountain pens.
Penholders.
Pen points.
Pencils.
Water color paints.
Oil paints for artists.
Paint brushes.
Glue (powdered).
Small musical instruments.
Rulers.
Hair nets and pins.
Knitting needles (nonmetallic).
Crochet needles (nonmetallic).
Crochet thread.
Knitting yarn.
Elastic.
Pillow covers and pillow slips.
Table scarfs.
Sheets.
Rugs.
Cooking utensils.
Blankets.

Food Items

Processed American or Swiss cheese (must be packed in cellophane *and* cardboard containers).
Dried prunes, raisins, or apricots, peaches and apples (in 1-pound or one-half pound cellophane packages).
Dried soups (in cellophane bags).
Bouillon cubes (¼ pound).
Cereals of the whole grain variety as the oatmeal and dark farina type, or vitamin fortified white grain cereals (cardboard containers).
Onion flakes.
Meat extracts, dried (¼ pound).
Nuts—only pecans, Brazil nuts, or peanuts in shell or salted (cellophane bags or cardboard boxes).
Rice (one pound in cellophane or other transparent paper package or cardboard boxes).
Plain or chocolate powdered malted milk in press-in top tins not in excess of one pound.
Malted milk tablets in press-in top tins not in excess of 500 tablets.
Hard candy.
Sweet chocolate in bars (one pound).
Candy bars.
Dried cocoa.
Dried vegetables in cellophane or cardboard packages.
Dried noodles, macaroni or spaghetti in cardboard boxes.
Dried figs (in cellophane packages or cardboard containers).
Dates (in cellophane packages or cardboard containers).
Biscuits, cookies and crackers (one pound in cardboard containers).
Coffee in plain bags not in excess of one-fourth (¼) pound.
Tea—bulk (loose) in one-fourth (¼) or one-half (½) pound bags or cardboard boxes.
Postum (in press-in top tins or cardboard boxes).
Nescafe (in press-in top tins or cardboard boxes).
Ovaltine (in press-in top tins or cardboard boxes).
Cocoa in press-in top cans or cellophane bags not in excess of one-half (½) pound.
Sugar in paper bags or cardboard boxes not in excess of one pound.
Seasoning materials (salt, pepper, and spices).

VIII. *Special Provisions for Gifts of Tobacco and Books.*—In addition to other gift parcels, parcels of tobacco and books may be sent under General License G–PW–2. However, such gifts may only be sent by a recognized tobacco manufacturer or a book dealer from whom the gifts are purchased.

1. Procedure for Sending Tobacco Gifts

a. Gifts of tobacco parcels may be sent by next of kin or designated beneficiaries of citizens and members of the armed forces of the United States and the United Kingdom interned in enemy-controlled territory.

b. The Provost Marshal General's Office will furnish two buff colored tobacco parcel labels and orders without request to the next of kin or beneficiaries of such prisoners or internees. These labels and orders will be sent during each 60-day period and may be used to send tobacco gifts during such period in addition to gifts of other articles.

c. Accompanying the tobacco parcel labels and orders will be a list of tobacco companies, their addresses, a description of the standard type tobacco parcels offered by the companies, and the price of each type.

d. The next of kin or beneficiary may fill in the order and mail it to any one of the listed companies, specifying the type parcel and the prisoner or internee to whom it shall be sent. Each order must be accompanied by an official tobacco label and a postal money order for the price of the tobacco parcel ordered. Payment other than by postal money order cannot be accepted. Because of a special arrangement, no internal revenue tax is levied on these shipments, and prices will amount to cost plus a small packing fee.

e. The tobacco company will affix the tobacco label bearing the name and address of the sender and its own return address to the standard type tobacco parcel ordered, and will mail the tobacco parcel postage free to the prisoner of war or internee, showing from whom it was sent.

f. Tobacco parcel labels are transferable by the next of kin or beneficiary, but the sender's name must be plainly written on the order to the tobacco company. Orders for amounts smaller than the standard type tobacco parcels or orders for mixed parcels cannot be accepted.

2. Procedure for Sending Book Gifts

a. Any individual (no organization) in the United States or its possessions may send under General License G–PW–2, books to citizens and members of the armed forces of the United States who are prisoners of war or interned in enemy-controlled territory. Books also may be sent to United Kingdom prisoners whose next of kin or beneficiaries are listed with the Provost Marshal General's Office. (See paragraph 3c, section VII.)

b. Only new books may be sent. No used books are acceptable.

c. Individuals desiring to send books must place their order with a book seller or publisher who will mail the books to the prisoner indicated by the purchaser. In no case may the purchaser wrap or mail the books.

d. The purchaser's name may appear on the shipping label but no writing, markings, or extraneous matter will be permitted inside the covering wrapper.

e. One parcel of books weighing not more than 5 pounds will be permitted to go forward every 30 days to such prisoners or internees.

f. Books mailed in accordance with this program will be carried without postage affixed when the parcel is appropriately indorsed to show that the adressee is a prisoner of war or an interned civilian.

g. All magazines and newspapers, regardless of data of publication, are prohibited for shipment to prisoners and internees confined in enemy countries and will be condemned.

h. Under restrictions applied by the enemy, books written by or including material of Jewish authors, émigrés from enemy controlled teritory, and certain other authors, are not permitted to enter enemy-controlled camps in Europe. Therefore, books falling within this category should not be sent.

i. All books are subject to rigid censorship control and must conform to censorship requirements. Books containing any of the following matter will be condemned:

Navigational charts, plans, wharf and code maps or parts thereof.
Meteorological charts.
Charts of currents.
Navigational reference books, including sailing instructions.
Lists of lights.
Lists of wireless signals.
Tide tables.
Distance tables.
Nautical and air almanacs, directories and calendars, etc., and supplements thereto.
Information of any nature relative to ports, harbors, anchorages and inland waterways.
Military, naval or air force subjects.
Chemistry.
Espionage.
Explosives.
Geography and map making.
Lithography.
Politics.
Weapons and armaments.
Wireless and radio.
Enemy propaganda.
Any subject which may be considered doubtful or of a technical or scientific nature, including patents, inventions, and discoveries.

IMPORT CONTROL

No. 31—*Amendment of General Imports Order M–63, Adding Materials to List II.*

Effective June 10, 1943, the War Production Board has issued an amendment to General Imports Order M–63 as amended May 14, adding the following forms of jute and manufactures of jute to List II of that order (Schedule A Commerce Import Class Numbers given in parentheses):

Added to List II.—Jute and manufactures: waste bagging and waste sugar sack cloth (3243.000); jute yarns or roving, single (3244.000, 3244.100, 3244.200, 3244.300); jute cordage, twine and twist of two or more yarns twisted together, size of single yarn or roving: not bleached, dyed or otherwise treated (3245.200, 3245.300, 3245.400, and 3245.500); bleached, dyed, or otherwise treated (3245.220, 3245.320, 3245.420, and 3245.520); bagging for cotton, gunny cloth, etc., of single yarns, not bleached, colored, or printed, not exceeding 16 threads in warp and filling to the square inch, of just or other vegetable fiber (3246,000 and 3246.100); burlaps and other woven fabrics wholly of jute n. s. p. f. (3247.000 and 3247.200); plain woven fabrics of jute, weighing less than 4 ounces per square yard (3248.000); woven fabrics of jute for paddings or interlinings exceeding 30 threads in warp and filling to the square inch, weighing from 4½ to 12 ounces, inclusive, per square yard (3248 100); woven fabrics n. s. p. f. in chief value but not wholly of jute (3248.200); jute sliver (3250.000); jute webbing, not exceeding 12 inches in width (3250.700); jute manufactures, n. s. p. f. (3250.900).

The governing date for all of the above materials is June 10, 1943. As of that date importation of these may be made only under written authorization of the War Production Board for which application must be filed on Form PD–222–C in duplicate. However, shipments of the materials in transit to a point within the continental United States on the governing date do not require authorization.

From the Foreign Commerce MAIL BOX

[EDITOR'S NOTE: Below are digests of inquiries and replies taken from the mail of the Department of Commerce. They have been selected because it is felt that they are of general interest. Additional digests will be presented in this column from time to time as space permits. Further information on these and other subjects may be obtained by writing to the editor.]

Q. Sweden has long been a manufacturing center and a large user of telephone and radio equipment. Does it retain its hold on the business, or have the political conditions in Europe prevented progress in this field?

A. Sweden is one of the top-ranking users of electrical equipment, such as telephones and radio sets, according to a recent trade report. At the end of 1942 there were more than 1,000,000 telephones in use—an average of one for every eight inhabitants. Last year, despite the war, it is said that approximately 50,000 instruments were installed. There are approximately 1,600,000 radio sets in use in Sweden. There are 33 radio broadcasting stations, 19 of them owned by the State and 14 privately owned. At present, however, stations in the latter group are allowed to transmit only State Broadcasting System programs.

Q. It was my impression that Czechoslovakia formerly produced a lot of lumber and wood products. Is Europe benefitting from this resource of that conquered country?

A. Before the war, Czechoslovakia produced annually 3,750,000 standards (1 standard=1,980 board feet) from an estimated 11,120,000 acres of forest. Slovakian output was important. While no recent figures are available for Bohemia-Moravia, now included in German statistics, nor for Carpatho-Ukraine, absorbed by Hungary, the Czechoslovak Ministry of Agriculture has released information on Slovakian forests indicating production at 1,148,000 standards from 3,622,000 acres. Almost 80,000,000 trees were planted in Slovakia in both 1941 and 1942, it is stated. Lumber accounted for one-third of the total value of Slovakian exports in 1942. Slovakia is exporting since the start of the war at least 856,000 standards of timber annually, and the value of these shipments has been twice that of the total exports of lumber from the whole of Czechoslovakia in the pre-war period.

Q. What is "Ho Oil"? Is it a domestic product or is it imported?

A. Ho Oil is the oil derived from a tree closely related to the camphor tree, but its exact botanical relationship is unknown. It is an entirely imported product. The oil is distilled from the wood of a tree that thrives in the camphor regions of Formosa and Japan. The oil is valued mainly for its content of linalol, roselike odor constituent, and has an odor resembling that of linaloe oil. It is used principally in the soap and perfume industries. It might be considered as a substitute for Bois de rose, and it also serves as a basis for the production of what are known in the chemical industry as aromatic esters.

Q. Movies are a popular form of entertainment in Finland, though few are produced there. What effect has the war had on film imports?

A. While no official import statistics are available, annual reports of the Finnish Censorship Bureau indicate decided changes in sources of films imported. In 1938, the censors reviewed 378 feature films; 201, or 53.2 percent, were from the United States, and 56, or 14.8 percent, were from Germany. In 1942, only 187 features were reviewed. Of this number, only 56, or 29.9 percent, were supplied by the United States, while 49, or 26.2 percent, were from Germany. Imports from France dropped from 55 in 1938 to 3 in 1942; imports from Hungary, Sweden, and Denmark increased materially. In 1938, a total of 983 shorts were reviewed, including 199 produced in Finland; 538 were imported from the United States and 139 from Germany. Only 344 were reviewed in 1942, of which 86 were produced in Finland, 141 were supplied by Germany, and 56 were imported from the United States.

Q. What use is made of annatto in the United States, and where is it produced?

A. Annatto is the red or yellowish red dyestuff extracted from the pulp surrounding the seeds of the annatto tree, *Bixa orellana*, which grows in tropical South America. The dye is used to color butter, cheese, and oils, and silk textiles, and in the manufacture of wood stains and varnishes.

New Books and Reports

★ The following publications, added to the Department's research facilities, through the courtesy of the authors and publishers, are listed as a service to businessmen. *Please note:* The Department has no copies of private publications for distribution and cannot be responsible for their content. For private publications, write direct to the publishing agency given in each case.

Articles of Current Interest Appearing in the Department of State Bulletin, June 5, 1943.

Copies of this publication, which is issued weekly by the Department of State, may be obtained from the Superintendent of Documents, Government Printing Office, Washington, D. C., for the price of 10 cents each; subscription price, $2.75 a year. The June 5 issue contains these articles:

ADDRESS BY THE UNDER SECRETARY OF STATE (at North Carolina College for Negroes).

ADDRESS BY THE FORMER AMERICAN AMBASSADOR TO JAPAN (at the University of Kentucky).

ADDRESS BY HERBERT H. LEHMAN (at Swarthmore College).

RELIEF OPERATIONS IN TUNISIA.

MESSAGE OF PRESIDENT ROOSEVELT TO KING GEORGE VI OF GREAT BRITAIN.

PROCLAIMED LIST: CUMULATIVE SUPPLEMENT 2 TO REVISION V.

RENEWAL OF THE TRADE AGREEMENTS ACT.

VISIT TO THE UNITED STATES OF THE PRESIDENT OF PARAGUAY.

PRESENTATION OF LETTERS OF CREDENCE BY THE MINISTER OF AFGHANISTAN.

FOREIGN SERVICE CONFIRMATIONS.

DISTINGUISHED VISITORS FROM OTHER AMERICAN REPUBLICS.

UNITED NATIONS CONFERENCE ON FOOD AND AGRICULTURE: Summation of the Results of the Conference by the Secretary General.

AGREEMENT WITH CANADA RELATING TO WAIVER OF CLAIMS ARISING AS A RESULT OF COLLISIONS BY THE VESSELS OF WAR.

SUPPLEMENTARY MILITARY AND NAVAL COOPERATION AGREEMENT WITH CUBA.

FOOD-PRODUCTION AGREEMENT WITH VENEZUELA.

SHIPOWNERS' LIABILITY (SICK AND INJURED SEAMEN) CONVENTION, 1936: (Recent Decisions of the Supreme Court).

AGREEMENT WITH THE UNITED KINGDOM RELATING TO THE APPORTIONING OF SUPPLIES OF AFRICAN ASBESTOS.

Other Publications

PANAMA CANAL AND PANAMA CANAL ZONE. The Library of Congress. 1943. 57 pp. A selected list of references.

Available gratis from: The Library of Congress, Washington, D. C.

THE ECONOMICS OF TOTAL WAR. Henry William Spiegel. 1942. 410 pp. Price, $3. Begins with a presentation of the economic causes of war, followed by a detailed discussion of the economic means of warfare, and concludes with an analysis of the economic effects of war. While main emphasis has been placed upon the policies of the United States, the policies of other nations at war have also been given attention.

Available from: D. Appleton-Century Co., 35 W. 32nd Street, New York, N. Y.

THE JOB AUSTRALIA IS DOING. Australian News and Information Bureau. 1943. 48 pp. Illus. Discusses mobilization for war, how Australia repays United States aid, Australia's fighting record, war production, and so on. Illustrated with charts and photographs.

Available from: Australian News and Information Bureau, 610 Fifth Avenue, New York, N. Y.

OLD NAMELESS: THE EPIC OF A U. S. BATTLEWAGON. Sidney Shalett. 1943. 177 pp. Price, $2. The story of this unnamed battleship is one of the great naval epics of the present war. Describes the action of this ship manned by a green crew, which not only survived the murderous attack of Japanese dive bombers and torpedo planes but shot down 32 planes. Then "Old Nameless" sank at least three Japanese warships.

Available from: D. Appleton-Century Co., 35 W. 32nd Street, New York, N. Y.

PLANS FOR SECURITY. Dorothy C. Tompkins. 1943. 11 pp. Postwar Bibliographies No. 1. Price, 35 cents. Gives a list of plans for Australia, Canada, Great Britain, and the United States, including a comparison of American and British plans.

Available from: Bureau of Public Administration, University of California, Berkeley, Calif.

INDIAN COTTON REVIEW FOR THE SEASON 1941–42. Chunilal Mehta & Co., Ltd. 1943. 37 pp.

Available from: Chunilal Mehta & Co., Ltd., 51, Marwari Bazar, Bombay, India.

CANADA 1943—THE OFFICIAL HANDBOOK OF PRESENT CONDITIONS AND RECENT PROGRESS. Dominion Bureau of Statistics. 1943. 196 pp. Illus. Price, 25 cents. Surveys the current Canadian situation and especially the effect the war has had on Canadian economy. Presents a picture of the diversified resources of Canada and their systematic development.

Available from: Wartime Information Board (Canada), 1205 15th Street, NW., Washington, D. C.

An auction sale of wines in Brussels, Belgium, was recently interrupted by two German officers who stated that they were requisitioning the rest of the unsold wine for the occupying authorities. The auction was stopped, and the officers carried off about 50 cases of claret and burgundy.

Peruvian Amazon Corporation Starts Work in Madre de Dios Area

The Peruvian Amazon Corporation has begun operations in the Madre de Dios region, in the upper reaches of the Amazon Basin, to develop rubber production, say reports in the Peruvian press. The work is being undertaken in cooperation with the United States Rubber Development Corporation.

Air transport is being used to move supplies into the remote jungles of the Madre de Dios region, east of the high Andean ranges. Outgoing planes, according to the Peruvian press, have carried seeds for high-yielding Hevea rubber trees for planting in experiment stations in connection with Peru's program for long-range development of a rubber-plantation industry.

The Peruvian Amazon Corporation, say the reports, has large-scale plans for establishment of rubber plantations as part of the program for rehabilitating the Peruvian rubber industry. Peru has contracted to sell its exportable rubber surplus to the United States. The country also needs crude rubber for its own use.

Extensive stands of wild rubber trees are reported in the Madre de Dios area, but, as in other parts of the Amazon rubber-producing country, tapping of these trees presents formidable problems in transportation, food supply, and in control of malaria and other diseases to protect rubber workers.

Peru, with United States aid, is working on both food supply and health programs preliminary to the movement of thousands of additional workers into the Amazon area for increased tapping of wild trees.

U. S. GOVERNMENT PRINTING OFFICE: 1943